

THE Hongkong Weekly Press AND China Overland Trade Report.

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BIRTHS.

On the 27th June, at 19, Chapoo Road, Shanghai, the wife of J. B. JACK, of a son.

On the 27th June, at Lyndhurst, Mount Elizabeth, Singapore, the wife of H. REIGE, of a son.

On the 28th June, at the German Consulate, Foochow, the wife of G. SIEMSEN, H.G.M.'s Consul of a daughter.

On the 1st July, at No 195, Kitano-cho, Kobe, the wife of ARTHUR E. COOPER, of a daughter.

At the German Consulate, Foochow, the wife of G. SIEMSEN, H.G.M.'s Consul, of a daughter.

MARRIAGES.

On the 27th June, at the Registry Office, Singapore, HERMAN OSCAR KRAFT to REBECCA STEENBERG.

On the 30th June, at Yokohama, MARIE MARGARETHE LOTZ, of Hayama, to NIKOLAUS MARKUS MURGIN, of Yokohama.

DEATHS.

On the 28th June, at Kobe, EDUARDO JORGE, the son of FELISBINO and KATHERINA GUTERRES, aged 24 years.

On the 3rd July, at his residence in London, of pneumonia, JACOB ARNHOLD, senior partner of Messrs. Arnhold, Karberg & Co., aged 68 years.

Hongkong Weekly Press

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ARRIVAL OF MAIIS.

The Canadian Mail (London dates May 28th) per *Empress of Japan* arrived on the 7th inst (41 days); and the German Mail of June 9th, per *Prinz Heinrich*, arrived on the 8th inst (29 days).

EPITOME OF THE WEEK.

Shanghai has declared Foochow, Swatow, Canton, and the Formosan ports infected.

The *Mainichi* says that the Russo-Chinese Bank has been authorised to establish branches at San Francisco, Hongkong, and Calcutta.

Telegrams from Kobe state that the Port Arthur Conference will probably adopt M. de Witte's peace policy. General Kuropatkin returns to St. Petersburg immediately.

L'Echo de China says that the French Chamber has adopted the projected cable between Saigon, Pulo Condor, and "Pontianak"—probably Poutianak, on the west coast of Borneo

Lieutenant General Fukushima, who so distinguished himself in the campaign up north in 1900, has been made by King Edward a Military Knight-Commander of the Bath and is now Sir Yasumasa Fukushima, K.C.B.

A report was current in Shanghai on the 1st inst. that a number of officers and men of the Japanese Reserve living there have received orders to return to Japan to join their regiments. The same is reported from Peking and from Tientsin.

It is reported from Japan that Mr. Sands, the American adviser to the Corean Imperial Household, has resigned his office and returned his contract. A Belgian gentleman, recently engaged by the Corean Government as adviser, has arrived in Corea.

The Tientsin correspondent of the *Mercury* telegraphed on the 2nd inst:—Mr. Detring's final judgment in the railway siding dispute awards the Bund and station roads to the Railway Administration, thus completely justifying the British claims.

The United States transport *Sumner*, while engaged in distributing troops in Southern Luzon, in the Philippine Islands, struck an uncharted reef and had finally to be beached. Coastwise transport steamer, carrying wrecking parties with salvage plant, left Manila on the 5th inst. The *Sumner* will in all probability come to Hongkong to be docked for repairs.

We understand that the Admiralty has definitely decided to go on with the new dock on the island, in spite of all difficulties occasioned by the original imperfect ideas formed of the nature of the Harbour bottom at the selected spot. The task will be much more expensive than was at first allowed for, but the Admiralty has decided nevertheless to have it carried to completion. Some correspondence will be found on p. 24.

The time occupied by the mails from this homeward by Siberia, as by the *N.-C. Daily News*, will be considerably shortened by the new arrangement by which the mails now go in sealed bags to Moscow and are sorted there. The *Mongolia* on Sunday (the 28th ult.) took nine sealed bags from Shanghai to Moscow, where the facilities for sorting are much greater than at Dalny or Port Arthur. The Chinese Eastern Railway Co. contemplate building three more sister-ships to the *Manchuria* and *Mongolia*, which will allow of a through service twice a week between Shanghai and Nagasaki and Dalny, with one steamer always in reserve.

For the purpose of encouraging Japanese trade in Siam, the Japanese Minister at Hongkong, Mr. Inagaki, is reported to have approached Baron Kodama, Governor-General of Formosa, with a suggestion that the Osaka Shosen Kaisha's regular subsidised service to Formosa should be extended as far as Siam.

It is reported in Shanghai from Kwangsi that General P'an, commanding the Tsoochiang Circuit of Kwangsi, whose troops have joined the rebels, upon being ordered by Viceroy Sham to resign, committed suicide immediately after receiving the Viceregal order.

The *North-China Daily News* states that a private telegram of the 30th June from a Chinese official at Peking to a Chinese official in Shanghai, says that the special agreement re Manchuria was signed at Peking by Prince Ching and M. Lessar on the 18th, and as soon as it has been ratified by the Tsar and the Empress Dowager of China (the Emperor not being mentioned), the evacuation of Manchuria by Russia will be begun.

Owing to the state of his health and the difficulty of framing a satisfactory Budget for next year in accordance with the lines indicated by the recent political compromise, says the Tokyo correspondent of the *N.-C. Daily News*, the Premier, Viscount Katsura, has expressed a desire to resign; but the Emperor has directed him to take a brief rest, retaining office. It is generally expected that some arrangement will be effected without a disturbance of the Ministry.

The Admiral in command of the Japanese naval station on Tsushima Island has proceeded to Corea with eleven torpedo-boats. It is reported that Admiral Hitaka, Chief Commander of the Japanese standing squadron, in view of the present situation in the Far East recently addressed a memorial to the Naval Staff Department suggesting the advisability of organising the Japan Sea squadron, and also the necessity of formulating a plan of defence and general operation from the naval standpoint.

It was reported in Peking a short time ago that the French Minister had received a telegram from the French Consul at Lungchow to the effect that the insurrection was spreading in Kwangsi province, and the Government troops had suffered repeated reverses. In consequence of the unsettled state of the country the Consul further stated that he had considered it advisable temporarily to leave Lungchow for the Tonkin border and wait until matters become more quiet before returning to his post.

The *Mainichi* publishes the following telegram, dated Seoul, 25th June:—The Russian Minister to Seoul sought an Imperial audience on the 7th inst. The Corean Minister for Foreign Affairs declined to lay the Russian Envoy's application before His Majesty. The Russian Minister is reported to have presented a note to the Emperor through the Corean official who acts as Russian interpreter. In this note the Minister is reported to have pointed out that Russia will be compelled to station troops at Wiju if the place is thrown open to foreign trade. The application of the Minister for an Imperial audience is understood to have been designed to serve as a demonstration against the opening of Wiju.

THE SITUATION IN CHINA.

(Daily Press, 4th July.)

The feebleness of the present Chinese Government and the want of capable or even strong men among the ruling class is undoubtedly a misfortune for the Empire as well as a serious impediment to its political and material development. Prince CHING, to whom has been entrusted the negotiations with M. LESSAR, the Russian Minister at Peking with regard to Manchuria, is displaying a weakness that is deplorable and a plasticity that is alarming. Not only is he proving to be a reed shaken by the wind, but one that is always inclining towards Russia, and it is now asserted that he has received substantial Muscovite favours and has thus greatly committed himself to the Bear. Under such circumstances the negotiations can have but one end. Probably they would—without a serious stiffening of China's back by the other Powers—conclude the same way in any case, but it is pitiable to see the manner in which Russia—the while protesting ceaselessly to the contrary—is gradually preparing to swallow Manchuria and digest it at her leisure. The Empress-Dowager cares apparently for little beyond the gratification of her caprices, and, instead of considering state policy, only plans her birthday celebration on a lavish scale. The Emperor KWANG HSU appears to have really become—what he has long been reputed to be—a negligible quantity in politics, and to have no power to make his ideas or wishes respected. CHANG CHIH-TUNG is not trusted by the party in power, who would gladly draw his teeth or relegate him to obscurity. YUAN SHI-KAI, the Vice-roy of Chili, though holding a position of importance, has little of the influence or prestige that attached to his great predecessor in that office, LI HUNG-CHANG, and can exercise no great weight in the councils of the Government. Prince TSAI CHEN alone seems to have any courage or administrative ability. He seems to be animated with a more patriotic and less selfish spirit than the mandarins generally, and if foreign affairs were confided to his hands instead of being left the somewhat senile care of Prince CHING there would, we think, be a little more hope for China's future.

As things are the prospect is dark indeed. Crushed down by the weight of indemnity—righteously demanded as punishment for the outrages and massacres of 1900—to the Treaty Powers and faced by a terrific full in the value of silver, which practically greatly augments the indemnity, as that has to be paid in gold, with bad trade, famines in two or three directions, and political embarrassments on several frontiers, the Chinese Government may well feel sorry for themselves. They do not rouse themselves to face the difficulty: they leave it, with true Oriental apathy, to adjust itself. They know, or suspect, that matters are converging to a crisis in some way, how or what they probably care little, but they will do nothing to avert catastrophe, believing that to be finally unavoidable. Meantime, however, they are tacitly preparing, in their own way, resistance to further pressure. Taught by the experiences of the campaign in 1900, when their arsenals and foundries fell an easy prey to the invaders, they have for some time been quietly transferring some of these establishments from positions where they are particularly open to attack, and have been shifting them to inland centres, where they will be more remote and less liable to easy capture. It will be

remembered that the gun foundries and small arms factories at Tientsin and Hsiku were taken possession of by the allies, who carried off all the machinery, as in the case of the Russians, who removed all the machinery from the large Eastern Arsenal to Port Arthur. The Chinese Government have accordingly erected a new arsenal and a big gun and small arms factory in Techou prefecture, Shantung province, on the southern banks of the Grand Canal, and a few miles north of the city of Techou. The machinery of the works near Chefoo is also to be removed to Techou. It is likewise stated in native official circles that the Kiangnan Arsenal, near Shanghai, is to be partially removed to some inland town, in view of the facility with which that establishment might be raided or captured by an enemy. Beyond such more or less passive measures, however, the Chinese are incapable, we believe, of any great effort to resist the pressure of Western Powers. They undoubtedly have the will, and they possess resources in men and material which in the hands of even an uncivilised but active and organising Power would prove very formidable indeed. But there is an utter absence of the military spirit in China which, joined to a most complete and general dishonesty in the administration, renders all attempts at resistance to invasion hopeless from the outset. The only possible hope for China, so far as we can see, is that the victors in the late campaign will quarrel over the spoils, and that a war between them will yet arise out of the difficulty of reconciling conflicting interests.

It is sad indeed to think that such a contingency is even possible. It would be a great moral descent for the great Powers of the West, who represent Christianity and modern civilisation, to let loose the dogs of war in this ancient Empire in order to satiate their unhallowed lust of territory or greed of gold. How much better might they be employed in seeking to find a means of assisting China to rise from the slough into which she has fallen, to help to maintain unimpaired and undiminished the grand empire which has for so many centuries owned the same flag, possessed the same literature, customs, and manners, been peopled by one homogeneous race, and which is capable of such great development if preserved intact and governed liberally and well. It may be objected that China is practically derelict and will in any case drift rather to disintegration than make for consolidation, but we have no right to leap to such a conclusion, and should at any rate be ready to extend a helping hand rather than assist her to promote national destruction. The first step in the direction of upholding China would manifestly be to assist her to pay the indemnity, and the next to relieve the stagnation which has fallen on her trade by aiding her in the establishment of a national currency on a gold basis. It is positively inhuman to desire that this vast Empire, with its swarming but for the most part poor population, should be converted into a dumping-ground for the white metal discarded by the whole civilised world, with the one exception of Mexico. The currency used by the vast majority of the Chinese people is copper cash; silver, whether in sycee or in dollars, only penetrates the mere outer skin of this broad land, and the consumption is but moderate. A gold standard, with bank-notes and silver token coins, could easily be established with the guarantee of some of the great Powers, and worked by a National Bank managed throughout by foreigners, on similar lines to the Imperial Maritime Customs service. This could be

done, and why, instead of quarrelling over Manchuria, cannot the Powers agree to take up this great measure of financial salvation for China? They would soon have their reward in a largely augmented trade with China, and through the development of the whole of Eastern Asia that would ensue.

JAPAN AND RUSSIA.

(Daily Press, 7th July.)

Rumours are coming thick and fast from the North now, all proclaiming the imminence of serious trouble between Japan and Russia. Some of the gravest of these stories are worth recording, even though we are unable to judge upon what foundations they rest. The most important is that of a private telegram, dated the 30th June, having been received by a Chinese official in Shanghai from another official in Peking, stating that the special agreement between Russia and China concerning Manchuria was signed at the Chinese capital on the 18th ultimo, the signatories being M. LESSAR and Prince CHING. The telegram added that as soon as the agreement has been signed by the Tsar and the Empress Dowager the "evacuation" of Manchurian by the Russians will begin; the Emperor of China, it is to be noticed, is not mentioned. A second rumour is reported to have been current in Shanghai on the 1st instant, according to which a number of officers and men of the Japanese Reserve, now living in the Settlement, have received orders to rejoin their regiments in Japan. This is taken to point to Japanese war preparations, as is but natural. Then again a Masampo (Corea) telegram of the 26th ultimo reports the arrival of the Russian cruiser *Rossia* and three torpedo-boats, bringing the Russian force there up to five large warships and seven torpedo-boats. At Port Arthur on the 16th June fifty-seven Russian warships, twenty-three of them of a large size, took part in a review before Admiral ALEXIEFF. This great squadron is all "on the spot," in connection with the Manchurian and Corean questions. It is significant that the acute stage in these questions seems to have been reached at a time when the Russian Pacific fleet is at its record strength, while the British China squadron is temporarily depleted. Doubtless this is a coincidence. From Corea we reported the most serious story on Saturday, that of the anti-Japanese demonstrations at Nansan and Seoul, the result of the attempts on the life of YI YONG-IK as well, no doubt, as of the previous trouble about the bank notes and the sale of a warship, about both of which affairs we have already given details. The Chemulpo correspondent of the *Shanghai Mercury* gives a clearly pro-Russian account of the agitation in Corea which has culminated in the hostile attitude of a section at least of the Corean populace toward Japan. That correspondent appears impressed with Russia's benevolent conduct. Experience in the past might have taught him that such benevolence is wont to lead. But we should not be surprised to learn that many Corean statesmen are quite prepared to recognise Russia's friendliness—on the same terms as those on which the late LI HUNG-CHANG and other Chinese politicians welcomed Russia's kindness in Manchuria.

The sum of the rumours which we have mentioned above is perhaps only that the feeling of alarm is widely spread in North-East Asia. Nevertheless, such a state of feeling is dangerous, especially because it tends to heighten the effect of any incident.

however small, which may arise. The progress of events in Corea particularly must be watched with much anxiety, for an anti-Japanese outbreak there, secretly promoted by Russia, would, as the expression goes, put all the fat in the fire. It is true that the *North-China Daily News* publishes a despatch dated Tokyo, 1st July, to the following effect: "The Corean Government has ordered the Treasury to pay to the Japanese Embassy half the price of the war steamer purchased in Japan, and has also adopted vigorous measures to suppress the anti-banknote agitation. Thus the political horizon is cleared at Seoul." The tension of mind in Japan, nevertheless, is very great indeed just now, and it is not only a few extremists who are urging the Government on to a bolder line of policy. It cannot be maintained that the Japanese are wrong in suspecting Russia of attempting now to use Manchuria as a spring-board from which to plunge into Corea. Of course we have often been assured that Russia does not wish to establish herself in Corea. But it has been admitted by Russian writers that their country cannot see the Gulf of Pechili turned into another Baltic by the establishment of a first-class Power on the Corean coast—to which admission the corollary is that Russia must plant herself there first. Such aspirations are incompatible with the peace of North-east Asia. Wherefore it is necessary either that they be renounced or that the question be tested whether Russia is strong enough to realise them. They may not be renounced without an arduous diplomatic struggle, but this struggle it is needful to make to save a war which must be ruinous to one side or the other.

(*Daily Press*, 4th July.)

The *North China Daily News* publishes the following telegram, which is dated Tokyo, 27th June:—"The excitement in Japan over the Manchurian problem is increasing. The nation is plainly resolved to support the Government in any measures which it considers essential to assert the country's rights and safeguard its interests. Marquis ITO and Marquis YAMAGATA, who have been hitherto supposed to advocate a waiting policy, are now, it is generally understood, advising resolute action. The leading journals speak in a tone of remarkable firmness. Japan is still endeavouring to stiffen China's backbone." The important point in the above telegram is in the statement that Marquis ITO is now advocating resolute action. The Tokyo correspondent of our Shanghai contemporary we believe to be in position to gather with some degree of certainty Marquis ITO's views, and if that Japanese statesman has actually departed from his attitude of extreme caution, then we may look forward to a corresponding change in the policy of Japan, for there can be no doubt of the great influence of the man who has four times occupied the post of Premier of his country.

Arrangements have been made by the Japanese naval authorities for the standing squadron to be newly organised as follows:—The battleship *Fuji*, *Yashima*, *Shikishima*, *Mikasa*, *Asahi* and *Hatsuse*; the armoured cruisers *Iwate*, *Idzumo*, *Yakumo*, *Azuma*, *Asama* and *Tokiwa*, and eight torpedo-destroyers. This gives a total of 146,939 tons displacement. These vessels were all to assemble at Muroran, Hokkaido, by the 10th inst. (to-day), and after taking in coal there they are to cruise along the coast of Eastern Siberia and Corea, finally proceeding to the Gulf of Pechili.

FAST MAIL AND PASSENGER SERVICES.

(*Daily Press*, 9th July.)

Few days have passed during the last few months on which some mention has not been found in the Press of the Far East of the new Trans-Siberian railway route. Traveller after traveller has given his experiences, and the very names of the chief stations between Dalny and Moscow are beginning to be nearly as familiar as those of the various places passed or touched at on the old sea-route from Europe to China. The comments on the passenger service on the Russian railway have been for the most part favourable, and the appreciation of the accelerated mail transport has been manifested by the abandonment by business houses in Shanghai of the mail steamers running southward for their communications with Europe. From some remarks which we quoted yesterday by Sir THOMAS SHAUGHNESSY, President of the Canadian Pacific Railway Company, it will have been seen that the possibility of a continuance of the maritime conveyance of mail is not yet despaired of, if a fast Atlantic service can be counted upon before the expiration of the next two years, at the end of which time the Canadian Pacific Company's contract expires. Sir THOMAS SHAUGHNESSY's words certainly convey the impression that the sea-route between Britain and the Far East is not yet doomed beyond hope, if only the passage across the Atlantic can be shortened. Nevertheless the Trans-Siberian railway, even in its present imperfect condition, has secured a great start, and doubtless its promoters will make every effort to quicken and improve their service in proportion as their competitors by sea exert themselves. The present success obtained by the Trans-Siberian line has had its effect in Australia, as various publications which reach us from time to time show. The latest of these is a leaflet issued by the North Australian League of Melbourne, expressing appreciation of the action of Mr. AUSTEN CHAMBERLAIN, Postmaster General, for having taken the first practical step to forward the present movement in Australia of preparing the way for quicker intercourse between Australia and Great Britain by the Trans-Siberian railway." This action, the League's resolution remarks, affords an example and an incitement to the Australian Commonwealth Government to stimulate the authorised railway connection between Port Darwin and Southern Australia. The League looks for quicker means of communication between England and Australia by the land routes across Asia and Australia linked by a fast steamer service between Hongkong or Canton and Port Darwin. The insertion of the words "or Canton," we presume, indicates an expectation of the ultimate connection of Canton, via Hankow, with the Manchurian section of the Russian lines; but it leaves Kowloon, of course, out of the reckoning—a mistake which should not be possible, nor would be so but for the backwardness of the Kowloon-Canton railway scheme. In the meantime the League's circular points out that the South Australian Government has called for bids for the construction of the Central Australian section, to complete the railway line from sea to sea. Tenders are to be sent to the South Australian Railway Commissioner, at Adelaide, on or before the 2nd May, 1904. It is impossible to resist the conviction that a great revolution in inter-continental communications is about to take place shortly. When the time comes, Hongkong as a must see that it is not left out of account punishment for having been too dilatory.

THE NEW ADMIRALTY DOCK.

(*Daily Press*, 10th July.)

We publish in another column to-day the reply from the Secretary of State for the Colonies to the petition forwarded last April through H.E. the Governor, praying that the Admiralty Dock and Naval Yard be moved from the site on which it is now being laid out to some other spot more suitable in the eyes of the petitioners. This prayer, as was shown by Sir HENRY BLAKE's attitude, when he received the deputation on the 26th March, had the Governor's strong approval. But the reply is nevertheless a very firm refusal to entertain the proposal of the petitioners. Mr. CHAMBERLAIN's decision is mainly based upon a letter from the Admiralty to the Colonial Office, dated the 9th March last, an extract from which we also publish to-day. [It is to be noted that the Admiralty's letter is dated the 9th March. The meeting in Hongkong with regard to the Dock question, when a committee was chosen to draw up a petition, was not held until the 24th March; and the petition was not published until April. The Admiralty's letter, therefore, is not to be looked upon as an answer to the petition, being written weeks before it. Mr. CHAMBERLAIN wrote after receiving the petition, but the strength of his reply is in the Admiralty's letter.] Their Lordships state that "under no circumstances can they assent to abandon the present work, the early completion of which they believe to be necessary to security." But, in their anxiety to place no obstacle in the way of the Colony's commercial expansion and, in full recognition of the advisability, where possible, of establishing naval stations outside great commercial harbours, they "would not refuse to consider any offer from the Colony to re-provide equivalent accommodation on an approved site"; the Navy would continue to occupy the present yard and anchorage until the new establishment could be handed over. Their Lordships kindly point out what extensive accommodation they would look for. Mr. CHAMBERLAIN says in his letter enclosing this extract:—"You will observe that this scheme would involve the Colony in very heavy expenditure," etc. In fact the Admiralty really asks not only for a more suitable site but also for a better equipped yard, while Mr. CHAMBERLAIN piles on the agony with his remark about the Military establishment now adjoining the Naval Yard. No wonder then that the Colonial Secretary should have come to the conclusion that the expenditure required would be heavier than the Colony could bear! Their Lordships of the Admiralty would indeed stand to win, when, having consented to some site, not on the mainland, suggested by the Colonial authorities, they should have all the necessary work executed to their own satisfaction, but entirely at the Colony's expense. The Admiralty's proposal is, of course, simply exorbitant, while it makes one doubt the sincerity of the statement in the second paragraph in the extract dated the 9th March. Mr. CHAMBERLAIN's letter of June effectually carries out the process vulgarly known as "rubbing it in," and the petitioners have now only to bear the smart. They cannot regard themselves as fairly treated by the home authorities, nor could any impartial judge consider that they have been so treated. In the midst of their disappointment the upholders of the scheme, for removal, though they will not of course feel any pleasure in the thought of the expense to the Naval authorities, may at least see a strong additional justification.

for their proposals in the fact that the work on the present site is proving very much more difficult and costly than the Admiralty calculated it would be at the beginning. It has for some time been an open secret that the Harbour bottom is very considerably less firm than a superficial examination first declared it to be. The difficulties encountered are not perhaps insurmountable, but their surmounting will make a vast difference to the nature of the task.

THE LAW COURTS AND POST OFFICE.

(*Daily Press*, 11th July.)

We are glad to see that the Hon. GEESHOM STEWART has given notice of some questions with reference to the proposed New Law Courts and Post Office. He is going to ask : (1) when were the plans for the New Law Courts finally passed ; (2) what is the cause of the delay in proceeding with their erection ; (3) what was the cost of the site for the new Post Office, and when paid for ; (4) what was the number of the designs received in the recent competition for designs for this building ; (5) whether the Government can or will give the date approximately when they will be in a position to invite tenders and proceed actively with the work of the construction of the Post Office ? A little light is needed on these matters, and it will be interesting to know whether we are to receive it. For instance, it would be a relief to get a definite assurance, with regard to the Law Courts, that a contract had been signed, or would be signed, within some specified period, for the erection of the building, and that a substantial penalty for any failure to complete would be exacted. It would also be some satisfaction to know that the Government had fixed on a plan for the Post Office, and had arranged to proceed with its erection at once in order that the Colony may not—as was the case with the site for the Central School, now known as the Queen's College—lose annually an enormous sum in the shape of interest on the value of the ground, which has been acquired at heavy expenditure. The community care little about the number of designs sent in ; they are simply anxious that the Government should select the best and then "get on with it."

Unfortunately this is what the Government never do. They may select a good design, but their rate of proceeding to carry it into effect is tortoise-like. When a man becomes a Government official he usually seems to lose all sense of proportion. He gradually becomes steeped in official procrastination, and seems unable to realise the fact that loss of time is loss of money, and therefore a sin against the public who pay his salary. A year more or less seems as nothing in his eyes, and if a work is accomplished in a decade he takes considerable credit to himself for completing what a private firm or individual would have effected in a couple of years. In this connection it is rather amusing to read Sir HENRY BLAKE's review of the progress of public works in his Report to the Secretary of State for the year 1902. His Excellency says :—“The principal public works undertaken or completed within the year were the new Law Courts, the road to Tai Po, the Western Market, the new Harbour Office, an extension of the Tytan Reservoir, the Kowloon Waterworks, and the Governor's new Peak Residence.” The Governor has not much to say about the first item in this catalogue. He dismisses it in the following rather bald sentences :—

“The Law Courts are to be built on the Praya Reclamation. The greater part of the year was occupied in forming the foundations, which were nearly completed.” The first sentence might have been written five years ago. The second sentence might well have been amplified as follows :—“The foundations, which were commenced three years ago, are not yet quite completed, but will be ready to receive the superstructure in a few months.” The design for the Law Courts was completed and sent out more than three years ago, and the structure should by this time be nearing external completion at any rate. It is difficult to imagine any good or valid reason for the highly reprehensible delay that has taken place with regard to the proper housing of the seats of Justice. The new edifice is urgently needed, the accommodation in the existing confined and stuffy building being scandalously inadequate and by no means too sanitary. Possibly the now stereotyped reply will be given to Mr. STEWART's question, that it has been impossible to obtain a reasonable tender for the erection of the fabric. If this plea be accepted then we may be sure that the erection of the building will be indefinitely delayed. There should be no difficulty in the Government making a contract for the building of this important work. A few thousand dollars more or less should not be allowed to stand in the way, if the contractor is prepared to put in good work and carry it out to the satisfaction of the Director of Public Works. Should it be found, however, that there is a conspiracy on the part of contractors to attempt to squeeze the Government, then the course of the authorities is plain enough. They should hire their own labourers, engage foremen, purchase materials, and prepare the granite in their own quarries. The exterior walls of the building are to be built of dressed granite, and valuable time might have been saved if the Government had had the sense to prepare the granite while the foundations were being laid. It is simply humiliating for a Government to confess that it has been balked by a Chinese contractor on its own ground ; even a private firm, hampered by want of means, and powerless to enforce its wishes, would not submit to such a defeat. We hope, however, to hear that the Government, tired of its past supineness, has determined at length to proceed with the work under the supervision of the staff of the Public Works Department, which can readily be strengthened, if need be, for the purpose.

CANTON'S TRADE IN 1902.

(*Daily Press*, 6th July.)

Mr. Consul-General JAMES SCOTT's report on the trade of Canton for the year 1902 has been issued by the Foreign Office, with the date May, 1903. It is a document of commendable conciseness, but it is furnished with full comparative tables of the principal articles of import and export during 1901 and 1902. The trade of 1902, reckoned in Haikwan taels, shows a large increase of some 33 per cent. over the figures of 1901, the previous best year. The total value last year was 80,728,943 Hk. Tls. as against Hk. Tls. 60,845,410 in 1901. The total is made up as follows :—Foreign imports Hk. Tls. 16,573,606; foreign exports, Hk. Tls. 36,614,264; native imports, Hk. Tls. 23,748,818; native exports, Hk. Tls. 3,792,255. Mr. Scott takes the figures for 1891, 1901, and 1902, and

deduces a curious result. In silver value, the three years' totals were :—

	1891	1901	1902
Foreign trade	27,923,381	37,378,034	53,187,870
Domestic trade	18,488,186	23,469,376	27,541,078

In sterling value, however, the totals appear as follows :—

	1891	1901	1902
£Ls.	46,411,517	60,845,410	80,728,943

Mr. SCOTT says :—“The fact remains that ‘the volume of the trade as represented by the quantities involved, especially as regards exports to foreign countries, shows an extensive development ; so that, however interesting the sterling returns may be from the standpoint of currency comparison, they do not in reality faithfully represent the growth of the trade, of which, in Canton, the largest portion is in foreign exports.”

Mr. SCOTT accounts for the increase in 1902 over 1901 (the actual amount of which, in trade coming under the cognisance of the Imperial Maritime Customs is Hk. Tls. 19,882,533) by giving the following causes :—(1) the general tendency to expansion shown during 1901 ; (2) by the largely increased value of the silk export, which has been in the past greatly underestimated ; and (3) by the additions to the steamer-borne cargo, the result of the transfer of the native customs to the direction of the Imperial Maritime Customs. As regard (2), he says, the corrections made resulted in an increase of the value of this export of some 9,000,000 taels ; as regards (3), cassia, matting, oil, fish, and some yarn are now being largely shipped by steamer in preference to junk.

It does not of course follow that because of the large increase in trade mentioned above there was no cause for complaint last year. It is provided by the Tientsin treaty, Mr. SCOTT remarks, that steamer-imported foreign goods, irrespective of the nationality of the importer, may, on payment of a half-duty, be sent into the interior under a half-duty certificate and be exempt from all further taxation *en route*, and a similar exemption by means of the transit pass is accorded to native produce, the *bona-fide* property of a British subject, intended for steamer export and so declared at a treaty port. It was hoped that by this arrangement foreign goods would be spared the vexatious delay and exorbitant charges suffered by merchandise which pays *lekin* to the provincial *lekin* authorities. “So long as foreign goods are actually imported by a foreign merchant, the half-duty certificate is so far observed that it frees them from *lekin* and all other charges *en route*,” says Mr. SCOTT. “Arrived at their destination, however, and in the hands of the Chinese consumers, the local authorities put whatever duties on them they choose. Further, notwithstanding that the treaty secures to native merchants the right to import and send into the interior foreign goods under half-duty certificates, so great is the objection of the provincial authorities to these certificates, and so effective is their opposition to them when in the hands of native dealers who have no foreign Consul to whom to appeal for support, that Chinese merchants in Canton have abandoned the idea of endeavouring to derive any benefit from them and no longer attempt to make use of them.” Foreign goods do not then secure that free and unbindered passage in the interior, which it was intended they should enjoy, from the fixed taxation accorded them under the half-duty certificate. The reason is obvious. The half duty, when collected,

is sent by the Imperial Maritime Customs to Peking, whereas the *lekin* and other taxes which it replaces are provincial. Mr. Scott sympathises with the provincial attitude, saying:—"It would seem only logical that, if the provincial authorities are to accord to foreign goods the facilities given them under the transit-pass and the half-duty certificate, they should receive the half-duty payable thereunder as compensation for the impoverishment of the provincial revenue by the loss of *lekin*. Indeed, so far as the Canton Province is concerned, the Viceroy has assured me, if this revenue was handed over to the provincial authorities, foreign goods in the interior would be freed from all further taxation, not only *in transitu* but also at destination."

The anticipation expressed in the 1901 report that after the transfer of the Canton native customs to the Imperial Maritime Customs steamers would suffer less from junk competition has been verified, while a somewhat new feature resulting from the transfer is the number of non-steamer craft under foreign flag and paying duty to the I.M.C. Lighters under the British flag are employed by Messrs. SAMUEL & Co. in the importation of oil; and junks under French, German and American flags running between Canton and Hongkong are becoming daily more numerous, and this notwithstanding that the Hongkong Government regards such junks while in Hongkong as native craft. "The change in flag is made after they have left British waters, a state of affairs which is obviously unsatisfactory," continues the report, "both as regards the Hongkong Government and the Imperial Maritime Customs in Canton."

With regard to trade on the West River, Mr. Scott speaks of the encouragement received from the opening of eight new ports of call for passenger traffic, namely Do Sing, Luk To, Yuet Sing, Luk Pu, How Lik, Kau Kong, Mah Ning and Yung Ki. "Cargo and passengers," he says, "are forsaking, in increasing quantities and numbers, native craft for the faster and safer foreign steamers. Of these, there were formerly only the British stern-wheel vessels *Nanning* and *Sainam*; but the advent of the French steamer *Hongkong*, has induced a lowering of freights, resulting in a loss of profits and negative-ing, to some extent, the effect of the general development which has taken place." Such a process, however, is inevitable with the extension of the traffic.

Into the detailed figures of the various imports we cannot here go. We will conclude by quoting Mr. Scott's remarks under the heading of "Shipping" and "Imperial revenue." "Shipping," he says, "again showed an increase, no less than 2,139,424 tons having entered the port and approximately the same quantity having cleared. British vessels accounted for 1,667,251 tons; Chinese, 189,270 tons; German, 135,962 tons; French, 74,048 tons; and Norwegian, 43,581 tons." On the subject of Imperial revenue he says:—"The revenue derived during 1902 by the Imperial Government from the trade under the control of the Imperial Maritime Customs at Canton amounted to 2,592,260 Haikwan taels, and is the highest on record, exceeding even those of the years 1891 and 1892, which were assisted by large opium imports. The effective 5 per cent. *ad valorem* tariff is principally responsible for the increased revenue of the year under review."

It is proposed to start a purely Chinese Chamber of Commerce in Penang.

SOUTH AFRICA AND CHINESE LABOUR.

(*Daily Press*, 8th July.)

In the June number of the *Empire Review* there appears an article by Mr. H. Korsch, late Commissioner and Statistical Secretary of the Imperial Maritime Customs of China, on the subject of "How to Solve the South African Labour Question." Mr. Korsch's attitude is frank. Free immigration, it appears to him, is the solution of the Rand Labour question, and it will be time enough to introduce legislation against an unduly large influx when the tendency in that direction is established. He draws up a strong defence of the Chinese immigrant, protesting against the "appalling ignorance" of those who regard the Chinese as a race of undesirables; and endeavours to show that they would be of great advantage and contribute to the material strength of the Rand by increasing the opportunities for enterprise and conducing to the comfort of the colonist in a marked degree. He writes:—"The evidence tends to show that much of the unskilled labour done by the Chinese is of a character distasteful to white men, whose high wages make it imperatively necessary on the part of capitalists to employ cheap labour where negroes, as in the West Indies, fail to maintain the development of the trade and industries of the place. European immigrants naturally look for higher employment and better pay than can be earned with pickaxe and shovel. They do not emigrate to sub-tropical countries to do cheap labour; but that, however, has to be done, or it will stop the progress and prosperity of the territory; and it has been proved that the labour performed by Chinese in different lands, while benefiting the State at large, actually creates superior employment for European workmen; a fact which the artisan class should note with satisfaction." Mr. Korsch confessedly deals with the question of Chinese immigration ethically rather than practically. But it is the practical side, after all, which is of most importance in the matter of South Africa. We have always doubted the sincerity of those who have attempted to demonstrate that Chinese immigration is to be discouraged on account of the greater viciousness of Chinese than of other peoples; and with Mr. Korsch we must agree as to the ignorance of those who would class and treat the Chinese like negroes. The practical questions in South Africa, however, are whether the Chinaman is actually wanted there, whether he will consent to go thither, and whether he will find a suitable environment. It cannot yet be said to have been proved that the negro labour supply is insufficient, if Central Africa be drawn upon. As to the second question, very stringent regulations have been proposed under which Chinese labourers shall be brought to South Africa. But, as Mr. Korsch says, "no labour association is likely to obtain the sanction of the Chinese Government to the despatch of contract coolies under conditions proposed by the Chamber of Mines, that of positive serfs, even if any British official could be found to suggest this traffic in labourers; and in the event of indentured labour being obtainable, the Colonial or British Government would have to guarantee that the indenture shall not be transferred with the emigrant to a third party. The assumption of this responsibility would raise the question of the power of the Imperial Government to compel a self-governing colony to observe and abide by com-

"pacts agreed to by a British Consul." Mr. Korsch says also: "So far the Chinese have shown no desire for permanent residence in any white man's land; and as their aversion to the negro is pronounced, the fear that they would seek domicile in Africa is imaginary." It seems possible that in South Africa they will not even be tempted to seek temporary sojourn; and their own countrymen are already warning them that the field is unsuitable for their immigration. Mr. Korsch's plea for the introduction of Chinese is strong—as a general argument in favour of the Chinese labour; but it seems to us that he does not sufficiently take into account the special circumstances in Africa, though he recognises the impossibility of the proposed restrictions on the immigrants from China.

H.E. TAK SOW AND THE GAGE STREET MURDER.

(*Daily Press*, 11th July.)

H.E. TAK Sow, late Acting Viceroy of the Two Kwang provinces and now Director-General Designate of Grain Transport on the Grand Canal, appears to have been affected to a certain extent by British action in connection with the murder of a Chinese reformer in Gage Street, Hongkong, in 1901. He arrived in Shanghai on the 4th instant by the China Merchants' steamer *Kwangli*, having gone direct from Canton. It was stated in Shanghai that TAK Sow paid two thousand taels for the *Kwangli* to avoid Hongkong and go straight to Shanghai, being afraid that the Hongkong Government might do something to him on account of his proved complicity in the murder of YEUNG KU-WAN. It is known here that the *Kwangli* did not touch at Hongkong this trip, being compensated for the loss thus incurred, but we cannot vouch for two thousand taels being the price paid by TAK Sow. Of course, as far as TAK Sow's person is concerned, he would have been safe from any such violence as he seems to have dreaded, from the British Government at least. But it is satisfactory to see that his sense of guilt is impressed on his mind.

SIR ERNEST SATOW AND LORD CURZON.

(*Daily Press*, 8th July.)

Sir ERNEST SATOW, British Minister at Peking, was expected to land in Bombay in the first week of this month, on his way back to China. According to an Allahabad despatch, it was anticipated that he would proceed to Simla to confer with Lord CURZON concerning pending questions of common interest to China and India. Taking the report of the meeting of Minister and Viceroy as accurate, we may conclude that Tibetan affairs will enter into the scope of the discussion between them. But whether any attention will be paid to the recent advice of the *Times* correspondent at Peking, we cannot say. Dr. MORRISON urged that India should not waste time negotiating with the Chinese about the Tibetan boundary question, but should send a mission to Lhassa and treat directly with the Tibetans. At the same time he wrote that the Chinese representatives on the Boundary Commission had been nominated but that the Amban of Lhassa had no influence either with Chinese or with Tibetans. This month Mr. CLAUDE WHITE and Major YOUNGHUSBAND are expected to meet the Tibetan and Chinese representatives on the Sikkim frontier to discuss questions of Indo-Tibetan commercial relations. It is impossible that Sir ERNEST

SATOW's and Lord CURZON's meeting can be unconnected with the delimitation and trade questions, and we may hope for the evolution of a strong policy which will put the dealings between India and Tibet on a better and friendlier footing.

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Legislative Council was held on the afternoon of the 8th inst. in the Council Chamber. Present:—

HIS EXCELLENCY THE GOVERNOR, Sir HENRY A. BLAKE, G.C.M.G.

HIS EXCELLENCY Sir W. GASCOIGNE, K.C.M.G. (Commanding the Troops).

Hon. F. H. MAY, C.M.G. (Colonial Secretary).

Hon. Sir HENRY SPENCER BERKELEY, K.T. (Attorney-General).

Hon. A. M. THOMSON (Colonial Treasurer).

Hon. Commander R. M. BUMSEY, R.N. (Harbour Master).

Hon. W. CHATHAM (Director of Public Works).

Hon. J. M. ATKINSON (Principal Civil Medical Officer).

Hon. Sir C. P. CHATER, C.M.G.

Hon. Dr. HO KAI, C.M.G.

Hon. WEI YUK.

Hon. C. W. DICKSON.

Hon. R. SHEWAN.

Hon. GERSHOM STEWART.

Mr. R. F. JOHNSTON (Acting Clerk of Council).

FINANCIAL.

The COLONIAL SECRETARY laid on the table Financial Minutes (Nos. 25 to 27) and moved that they be referred to the Finance Committee.

The COLONIAL TREASURER seconded, and the motion was agreed to.

The COLONIAL SECRETARY laid on the table Report of the Finance Committee (No. 4) and moved its adoption.

The COLONIAL TREASURER seconded, and the motion was agreed to.

BOUNDARIES.

The COLONIAL SECRETARY moved the following amendment to No. 5 of the Domestic Cleanliness and Ventilation Bye-laws contained in Schedule B of the Public Health and Buildings Ordinance, 1903, made under Section 16 of the aforesaid Ordinance:—The note to No. 5 of the Domestic Cleanliness and Ventilation Bye-laws contained in Schedule B of the Public Health and Buildings Ordinance, 1903, is hereby repealed, and the following substituted therefore:—"The western boundary of the eastern division of the City is Graham Street and Endicott Street; the western boundary of the central division of the City is Tank Lane and Cleverly Street; the western division of the City lies to the west of Tank Lane and Cleverly Street. Kowloon is divided into eastern and western divisions by Robinson Road and a straight line drawn from the north end thereof through the Yaumati service reservoir to the northern boundary of Kowloon." He said—

The object of this amendment is to bring the limewashing districts into the same boundaries as those of the health districts. This will enable the inspectors to do their work more effectively.

Hon. Dr. ATKINSON seconded, and the motion was agreed to.

SUPPLEMENTARY ESTIMATES.

The COLONIAL SECRETARY laid on the table the Supplementary Colonial Estimates for 1902, of which the following is an extract:—

Charges on Account of Public Debt, \$18,234.54

Pensions, ... 39,654.80

Governor and Legislature, ... 11,164.25

Audit Department, ... 4,791.64

Treasury, ... 8,820.59

Post Office, ... 26,124.12

Registrar-General's Department ... 733.33

Observatory, ... 990.30

Legal Departments, ... 14,165.39

Medical Departments, ... 2,806.41

Magistracy, ... 4,142.62

Sanitary Department, ... 24,737.20

Transport, ... 15,763.68

Miscellaneous Services, ... 657,930.55

Public Works Recurrent, ... *201,628.46

Ordinary Expenditure, ... 1,031,627.86

Public Works Extraordinary, ... *768,573.54

\$1,800,201.40

[*Although the excess in the votes Public Works Recurrent amounts to \$190,293.41 and Public Works Extraordinary to \$359,787.77, yet these Supplementary Votes are required, because saving on sums voted for any particular work cannot be appropriated to cover excess on other works, or new item not yet voted.]

PAPERS.

The COLONIAL SECRETARY laid on the table the Report on the Blue book, the Report of the Principal Civil Medical Officer, and the Report on the Hongkong Volunteer Corps, all for 1902.

QUESTIONS.

The Hon. G. STEWART gave notice of the following questions:—

(1) When were the plans for the new Law Courts finally passed?

(2) What is the cause of the delay in proceeding with the erection of the Courts?

(3) What was the cost of the site for the new Post Office, and when paid for?

(4) What were the number of designs received in the recent competition for the Post Office?

(5) Can the Government give the date approximately when they will be in a position to invite tenders and proceed actively with the work of the construction of the Post Office?

THE CROWN AGENT SYSTEM.

Hon. R. SHEWAN put the following questions standing in his name:—Will the Honourable the Colonial Secretary be good enough to give the following information respecting the working of the Crown Agents system with regard to this Colony:—

1. (a) What method is adopted for paying the Crown Agents? (b) Do the Crown Agents receive a commission on orders executed in addition to regular salaries? (c) Do they receive remuneration from other Crown Colonies in addition to this?

2. What is the annual sum paid by the Colony to the Crown Agents during the past three years, giving salary and commissions separately, or what annual sum has been charged to the Colony for the services of the Crown Agents?

3. (a) Are all orders for material, etc., sent to Europe on behalf of the Colony, made through the Crown Agents? (b) If not, what system is adopted with regard to such orders which are not executed by the Crown Agents?

4. (a) What system is adopted to ensure that all orders on behalf of the Colony are executed by the firm best able to carry out the work at the most reasonable price? (b) If orders are put up to tender only for those firms on the Crown Agents' lists, how are these firms selected? (c) Can any reputable firm on application be placed on the Crown Agents' lists, or do the Crown Agents exercise a right to refuse to place a firm on their list? (d) In the event of such a refusal, has the firm thus rejected any right of appeal, and, if so, to whom?

The COLONIAL SECRETARY replied as follows:—

1. (a) The Crown Agents and their employees are paid salaries out of the contributions of all the Colonies employing their services. (b) No. (c) Only the regular contributions paid to the fund for salaries and other expenses.

2. Crown Agent's Charges:—

1 per cent. commission on stores.

1 per cent. commission on payment of interest on loan.

1 per cent. commission on subsidiary coins.

£150 per annum for transacting the general business of the Colony.

1900.

Commission paid on—

Stores, ... £255 1 0 \$2,542.82

Payment of Interest

on Loan, ... 39 18 0 399.37

Subsidiary Coins, ... 566 8 8 5,601.59

For transacting the General Business of the Colony, ... 150 0 0 1,500.11

£1,011 7 8 \$10,043.89

1901.

Commission paid on—

Stores, ... £222 3 6 \$2,290.71

Payment of Interest

on Loan, ... 14 19 0 161.71

Subsidiary Coins, ... 344 4 1 3,526.14

For transacting the General Business of the Colony, ... 150 0 0 1,549.86

£731 6 7 \$7,528.42

	1902.
Commission paid on—	
Stores, ... £278 18 5 \$3,207.73	
Payment of Interest	
on Loan, ... 29 18 0 340.82	
Subsidiary Coins, ... 196 0 5 2,146.01	
For transacting the General Business of the Colony, ... 150 0 0 1,722.77	
	£654 16 10 \$7,417.33

(Sd) A. M. THOMSON.

3. (a) Yes. (b) Unnecessary to answer.

4. (a) The competitive system coupled with professional supervision and inspection. (b) and (c) No definite information is available on these points, but a reference to appendix 22 of the Report of the Public Works Commission shows that in 10 years the Crown Agents carried out 379 orders for the Public Works Department and that these orders were placed with 101 different firms. The field of selection is therefore very wide. No objection is raised by the Agents if this Government asks that a particular order may be placed with a particular firm, and Government has every reason to be satisfied with the quality and price of the stores supplied to it. (d) Yes. To the Secretary of State for the Colonies. I would lay on the table Parliamentary Paper C. 3,075 of 1891, relative to the functions of the Crown Agents which has already been once laid on this table in 1894.

DR. PEARSE'S MEMORANDUM.

Hon. R. SHEWAN also put the questions:—

1. Will the Government state whether they received a letter from the Secretary of the Sanitary Board sent by direction of the President, conveying the following resolution unanimously adopted at the meeting of property-owners at the Sanitary Board office on 18th May, convened by advertisements in European newspapers in the Colony, namely:—"That the permission of H. E. the Governor be obtained to have the report, which was read by Dr. Pearse at the meeting on the subject of overcrowding and its abatement, printed and circulated amongst the European land-owners in the Colony"?

2. If so, has any reply been sent thereto? If not, why not?

3. Is the Government aware that the President of the Sanitary Board stated at the Board on the 19th instant that no answer had been received to that letter, but that the report had been laid on the table and was accessible to the Press if they wanted it?

4. Does the Government propose to print and circulate Dr. Pearse's report in terms of the resolution? Or is it true, as rumoured, that the report has been withdrawn from circulation and that the information which has been placed at the disposal of the Chinese will not be available for European land-owners?

The COLONIAL SECRETARY replied as follows:—

1. The letter was duly received.

2. The Government intimated to the President of the Board for his information and guidance that Dr. Pearse's Memorandum might be brought before the Board. The position the Government has adopted is that the Memorandum in question involves assumption as to the effect of the law that may or may not be correct, but which can only be tested by a case decided in the law courts. This decision can readily be obtained in the usual manner. Without it the Government would not accept the responsibility of publishing the memorandum.

3. Yes.

4. The Government do not propose to print and circulate the memorandum for the reasons stated in answer to question 2. The Memorandum was read in English at the recent meeting of property-owners held at the Sanitary Board offices and which was attended by Europeans as well as Chinese. It is accessible to members of the Board, both European and Chinese, and there is no question of supplying to Chinese information which is withheld from Europeans.

PRINTING OF ORDINANCES.

Hon. R. SHEWAN further asked:—Will the Government instruct the Government Printers to print a larger number of copies of Ordinances, as it appears that the Passenger

Act (No. 1 of 1889) Chinese Emigration Consolidation Ordinance is now out of print and cannot be supplied?

The COLONIAL SECRETARY—At the present time an ample number of Ordinances is printed.

LAND CLAIMS IN THE NEW TERRITORY.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled an Ordinance to amend Ordinance No. 18 of 1900 entitled an Ordinance to facilitate the hearing, determination, and settlement of land claims in the New Territories, to establish a Land Court, and for other purposes.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

SUPPLEMENTARY VOTE.

The COLONIAL TREASURER moved the first reading of a Bill entitled an Ordinance to authorise the Appropriation of a Supplementary Sum of One million eight hundred thousand two hundred and one Dollars and forty Cents, to defray the Charges of the Year 1902.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

BENT RECOVERY IN THE NEW TERRITORY.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled an Ordinance to repeal The New Territories Rent Recovery Ordinance. The object of this Ordinance is to provide for the hearing and determining of claims to rent in the New Territories. By Ordinance 14 of 1902, it was provided that such claims should be heard and determined by the Land Court established under Ordinance 18 of 1900. That Court however was intended when it was constituted to be a Court for settling claims to land in the New Territories and for establishing titles to land therein and for no other purpose. It was not intended, and it is not desired, that the Land Court shall continue to exist after it has done its work of settling titles to land. The Land Court, in short, is a Lands Titles Court and that alone; and will be dissolved as soon as its work of settling titles is done. This Ordinance therefore repeals Ordinance 14 of 1902, which declares that all claims to rent in respect of land in the New Territories shall be heard and determined by the Land Court, and provides in lieu thereof that rent in the New Territories is to be recovered before the Supreme Court when the rent claimed exceeds \$200 and before a Magistrate when the sum claimed does not exceed that amount. After consideration and from the experience of the past the Government have come to the conclusion that in the case of claims over \$200 the parties should be admitted to the privilege of a hearing in the Supreme Court in its Original or Summary Jurisdiction according to the amount involved, where the advantage of legal assistance can readily be obtained. In proceeding before a Magistrate in the New Territories the parties will also be at liberty if they please to retain legal assistance, but as the amount involved in any such case will be necessarily small there will not be the same need for legal assistance.

The COLONIAL SECRETARY seconded the motion, and the Bill was read a second time.

MARRIAGES OF BRITISH SUBJECTS IN FOREIGN COUNTRIES.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled an Ordinance to give effect to an Order in Council made by His Majesty the King on the 12th day of March, 1903, relating to the Marriages of British Subjects in Foreign Countries. He said—The objects and reasons of this Ordinance are to give effect to an Order made by His Majesty the King in Council on the 12th March, 1903, modifying the requirements of the Foreign Marriage Act, 1892, as to residence and notice in cases when one only of the parties has dwelt within the district of the Marriage Officer and the other has dwelt in this Colony. The effect of this Bill will be to bring this Colony into line with other parts of the Empire.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

The Council resolved itself into Committee and considered the Bill clause by clause.

On the Council resuming, the Bill was read a third time and passed, on the motion of the ATTORNEY-GENERAL, seconded by the COLONIAL SECRETARY.

WIRELESS TELEGRAPHY.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled an Ordinance to

authorise and regulate the establishment and use of installations for the purpose of Wireless Telegraphy. He said—I think it will be obvious to the Council that in view of the possibilities, the potentialities, of wireless telegraphy, it were wise to have legislative power to place an installation here, and this Bill, shortly, is to enable the Governor to issue licences for the installation of wireless telegraphy, wherever he deems it expedient, subject to such conditions as may from time to time be found desirable, in the public interest.

The COLONIAL SECRETARY seconded, and the Bill was read a second time.

The Council then went into Committee on the Bill, which, on the Council resuming, was read a third time and passed.

CRIMINAL FUGITIVES TO MALAY STATES.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled an Ordinance to amend The Malay States (Fugitive Criminals) Surrender Ordinance, 1903. He said—The object of this Bill is to effect certain amendments which appear necessary in the Malay States (Fugitive Criminals) Surrender Ordinance, 1903. In the latter Ordinance the meaning of the term "British Resident" was not sufficiently defined. It was now defined to mean any person for the time being lawfully discharging the duties of the office of British Resident. It appeared also that a British Resident was stationed at Negri Sembilan and Pahang, so it was necessary to add these names to those of the other places mentioned.

The COLONIAL SECRETARY seconded and the motion was agreed to.

The Council went into Committee on the Bill and considered it clause by clause.

On the Council resuming, the Bill was read a third time and passed on the motion of the ATTORNEY-GENERAL, seconded by the COLONIAL SECRETARY.

PRINTING OF ORDINANCES.

Hon. R. SHEWAN—If I am in order, sir, I would beg to move the adjournment of the debate in order to call the attention of the Council to the reply of the Colonial Secretary to my last question.

HIS EXCELLENCY—You are in order.

Hon. R. SHEWAN—I believe I am prevented from otherwise commenting upon the answers I received here to-day. The question I asked was "Will the Government instruct the Government printers to print a large number of copies of Ordinances?" The reply was, "At the present time an ample number of Ordinances is printed," which I take to be a reply in the negative; and I now beg to move an adjournment of the debate in order to call attention to the great inconvenience which the mercantile community of the Colony suffer by not being able to obtain copies of Ordinances they require. The remark I made in addition to my question was that it appeared that the Passenger Act, No. 1 of 1889, is out of print. I said that because I had applied to the Government printers for a copy and was told I could not get one. The reply of the Government is that an ample number of Ordinances is printed. Does that mean that they are printed and in stock at the present time or that they were printed and are out of stock? It is not a full reply and I would be glad if the Colonial Secretary would amplify it. I have not informed any of my unofficial colleagues of my intention to make this motion, but I have no doubt one of them will second it in order that we may obtain fuller information.

Hon. Sir PAUL CHATER seconded.

The COLONIAL SECRETARY—At the present time 160 copies of the Ordinances passed by this Chamber are printed and that number should be amply sufficient to meet all requirements. I do not know how many copies of Ordinances were printed in 1889, but it is perfectly true that this Ordinance is now out of print. That will be remedied shortly when the new edition of the Ordinances is issued and made available to the public.

Hon. Mr. SHEWAN—May I ask when that will be, sir?

The COLONIAL SECRETARY—I cannot give the exact date.

The ATTORNEY-GENERAL—Very shortly.

HIS EXCELLENCY—I have reason to think that it will be ready in a short time.

The Council adjourned *sine die*.

FINANCE COMMITTEE.

A meeting of the Finance Committee was held immediately after the Council, the Colonial Secretary (Hon. F. H. May, C.M.G.) presiding.

PUBLIC MORTUARY.

The Governor recommended the Council to vote a sum of \$12,000 to meet the cost of reconstructing the Public Mortuary during the current year under "Public Mortuary, Extension and Reconstruction, Public Works Extraordinary."

The CHAIRMAN—The present mortuary has been found to be inconveniently small, and as no provision for its extension was made in the Estimates the Council is now asked to vote this sum.

The recommendation was approved.

QUEEN'S COLLEGE.

The Governor recommended the Council to vote a sum of \$230 in aid of the vote under "Other Charges," "Queen's College, Education":—

Allowance for Chinese Teachers, \$130.00
Incidental Expenses, \$100.00

\$230.00

This vote was also agreed to.

GAOL EXPENSES.

The Governor recommended the Council to vote a sum of \$3,078 in aid of the vote for Personal Emoluments and Other Charges, Gaol Department:—

Staff for the Temporary Prison (Belilius Reformatory) for 6 months ending 31st December, 1903:—

Personal Emoluments:

1 Principal Warden at \$1,140, ...	8570
Do., Exchange Compensation at 1/8d.,	456
2 Warders at £96 per annum each at 1/8d.,	1,152
1 Clerk at \$36 per annum, ...	180
4 Assistant Warders, at \$2.6 per annum each, ...	492
2 Cooks at \$96 per annum each, ...	96
1 Coolie at \$6 per annum, ...	48

\$2,934

Other Charges:—

Conveyance Allowance, ...	144
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Total, ... \$3,078

The CHAIRMAN—It has been found necessary to open Belilius Reformatory as a temporary prison owing to the overcrowded state of Victoria Gaol, and the sum set out meets the expense of the additional staff required.

H.E. Sir W. J. GASCOIGNE—How many prisoners will the Reformatory accommodate?

The CHAIRMAN—It can accommodate a hundred.

The vote was passed.

This was all the business.

HONGKONG'S ASSETS AND LIABILITIES.

The following statement of the Colony's assets and liabilities on the 30th April, 1903, appears in the *Gazette*:—

ASSETS.	\$	o.
Bank balance, Chartered Bank of India, &c.	150,000.00	
Advances, &c.	65,328.27	
Subsidiary coins	

Total assets \$215,328.27

Balance 1,116,478.80

Total \$1,331,807.07

LIABILITIES.

Deposits not available	\$	o.
482,767.35		
Crown agents' drafts	760,000.00	
Money order remittances	13,274.43	
Balance overdrawn, bank	25,130.21	
Balance overdrawn, Crown agents	70,735.08	

Total \$1,331,807.07

Subsidiary coins in transit	\$350,000
Estimate of silver at mint	813,069

Total \$1,163,069

Treasury, 26th June, 1903.

The U.S. warships engaged in manoeuvres in the Gulf of Pechili were the battleships *Oregon* and *Kentucky*, the cruiser *New Orleans*, the gunboats *Helena*, *Annapolis*, *Vicksburg*, *Wilmington*, and *Don Juan de Austria*, the *Monterey* and *Monadnock*, and the torpedo-tender *Wampatuck*, besides two navy transports.

THE ADMIRALTY DOCK.

OFFICIAL REPLY TO THE PETITION FOR REMOVAL.

The Hon. Sir Paul Chater, Kt., C.M.G., has forwarded to us for publication the following documents relating to the public petition in favour of the removal of the Admiralty Dock and Naval Yard from the position at present contemplated to a site outside the city of Victoria:—

Hongkong, 9th April, 1903.

SIR.—On the 26th ultimo you were good enough to receive a deputation composed of representatives of the various commercial interests in this Colony, when the question of the proposed new Admiralty dock was discussed and when as chairman of the deputation I had the honour to inform Your Excellency that we proposed to draw up a petition to the Right Honourable the Secretary of State for the Colonies praying that a Royal Commission be appointed to consider the whole question relating to the dock.

In consequence of the unanimous support this movement has received from all sections of the Hongkong community a petition has now been prepared and though the time at our disposal has been limited signatures have been readily obtained including those of all classes and nationalities represented here and embracing most, if not all, of the leading business firms in the Colony.

I have now the honour to hand Your Excellency this petition, with the request that you will be pleased to forward it to the Right Honourable the Secretary of State for the Colonies, and would further ask that Your Excellency be good enough, as soon as possible, to telegraph a summary of the petition to London.

In conclusion I would beg on behalf of this community to express our gratitude for the kindly sympathy Your Excellency has shown to us in this matter, and to express the hope that with your able assistance the great improvement for the Colony advocated in our petition may be carried out.—I have, &c.,

C. P. CHATER,
Chairman.

His Excellency Sir HENRY A. BLAKE,
G.C.M.G., &c., &c., &c.

Government House,
Hongkong, April 17th, 1903.

SIR.—I have the honour to acknowledge the receipt of your letter of the 9th instant enclosing a Petition to the Secretary of State for the Colonies regarding the Naval Yard Extension and Dockyards, and to inform you that I have caused it to be transmitted to Mr. Chamberlain with an expression of my strong approval of the prayer which it embodies.

2. I have also, as requested in the third paragraph of your letter under acknowledgment, telegraphed a summary of the petition to London.—I have the honour to be, Sir, your most obedient servant,

H. A. BLAKE,
Governor, &c.

The Hon. Sir C. P. CHATER, C.M.G.

Government House,
Hongkong, 8th July, 1903.

SIR.—With reference to my letter of the 17th April (No. 2807/03/G.C.S.O.), I have the honour to inform you that a despatch, of which the enclosed is a copy, has been received from the Secretary of State for the Colonies. I shall be glad if you will communicate its tenor to the other signatories of the petition.—I have the honour to be, Sir, Your most obedient servant,

HENRY A. BLAKE,
Governor, &c.

The Hon. Sir C. P. CHATER, C.M.G.

(Copy)
Downing Street,
5th June, 1903.

SIR.—I have the honour to acknowledge the receipt of your despatch No. 184 of the 8th April last, forwarding a petition from residents in Hongkong to the effect that the Naval Yard should be removed to another site.

2. It is suggested that the present site of the Naval Yard is inadequate for the pur-

poses of His Majesty's Navy, but I am informed by the Lords Commissioners of the Admiralty that, though it would no doubt be an advantage, if more room were available for extension, the area of the Naval Yard, when completed, will be 39½ acres, and there is space for the construction of another dock of the largest size, should an additional dock be found necessary at some future date. There is therefore no necessity, from a Naval point of view, for any change of site.

2. Their Lordships also state that as the abandonment of the scheme for the extension works now under construction at the Naval Yard would mean postponing for an indefinite period, the provision of a sufficient equipment for the British Naval base in the Far East, they could not under any circumstances consent to stop those works, the early completion of which they believe to be necessary to security.

4. Subject, however, to these extension works being completed, and to the Navy continuing to occupy the present Yard and anchorage until new accommodation had been provided their Lordships would be prepared entertain a proposal to transfer the Yard, as soon as the Colony at its own cost had made equivalent provision for Naval requirements on an approved site. I enclose an extract from the Admiralty on this subject.

5. You will observe that this scheme would involve the Colony in very heavy expenditure and the expenditure would not be limited to the provision of a New Naval Yard and Dock, since the removal of the existing yard would also necessitate the removal of the whole or a large part of the Military Establishment adjoining the Naval Yard, and the erection of new Ordnance Stores, Magazines, Barracks, &c., and possibly of new defence works.

6. I have very carefully considered the whole subject, and while I am at once most reluctant to negative a proposal put forward by influential members of the community and supported by yourself, and am well aware how strong are the objections to existing arrangements, I regret to have to inform you that I have come to the conclusion that the expenditure would be heavier than the Colony could bear, and I therefore request you to inform the petitioners that I do not find myself able to meet their wishes.—I have, etc.,

J. CHAMBERLAIN.

Governor Henry A. BLAKE,
G.C.M.G., &c., &c., &c.

EXTRACT FROM A LETTER FROM THE
ADMIRALTY TO COLONIAL OFFICE,
DATED 9TH MARCH, 1903.

Their Lordships' first duty is to provide for the necessities of His Majesty's ships on the China Station, present as well as future, and under no circumstances can they assent to abandon the present works, the early completion of which they believe to be necessary to security.

Subject, however, to the requirements of the Navy being met, their Lordships are anxious to place no obstacle in the way of the commercial expansion of the Colony, and they fully recognise that it is best whenever possible to establish Naval Stations outside the boundaries of great commercial harbours.

Whilst, therefore, their Lordships for the reasons already stated cannot see their way to themselves negotiate for any new site for the Naval Yard, they would not refuse to consider an offer from the Colony to re-provide equivalent accommodation on an approved site.

In suggesting equivalent accommodation, their Lordships have in view not only the Docks, Basing, Stores, Magazines, Workshops and other accessories to a Naval Yard, but also the available anchorage and whatever defences are necessary to ensure security equal to that obtained under present conditions, and it might also be necessary to replace the Naval Hospital, which is in the vicinity of the present Yard.

It is further necessary that the Navy should continue to occupy the present Yard and anchorage until the new establishment is ready, and can be handed over to them.

If the Colonial authorities are prepared to deal with the matter on this basis, I am to suggest that they should in the first instance forward particulars of any sites they propose to offer, which must not be on the mainland.

Should their Lordships find it possible to accept any one these sites, the details of all necessary

works would next have to be considered and agreed to. These could then be executed by the Colonial Government to their Lordships' satisfaction, but entirely at its own cost.

When completed the new establishment could be taken over by the Navy, and the present Yard handed over to the Colonial Government.

HONGKONG IN 1902.

At the Legislative Council on the 8th inst. there was laid on the table H. E. the Governor Sir Henry A. Blake's Report on the Blue-book for 1902, from which we make the following extracts:—

FINANCIAL.

The revenue for the year 1902 exclusive of land sales amounted to \$4,329,712.48. Land sales for the year reached \$571,361.22. The total revenue from all sources was therefore \$4,901,073.70, or \$295,105.70 more than the estimate. All the main sources of revenue showed an excess over the estimated receipts with the exception of interest on credit balances and the water account, which yielded \$2,993.08 and \$14,050.53 respectively less than the estimate. Licences and internal revenue showed an excess of no less than \$158,340.55 over the estimate, and there were also considerable excesses under fees of court or office, &c., post office and light dues. The expenditure for the year, chiefly owing to the sums disbursed (under the head of miscellaneous services) in connection with plague, was very large, and far in excess of the estimate. The estimated expenditure (including that on public works extraordinary) was \$4,558,955.26, but the actual disbursements exceeded this estimate by \$1,350,593.25. The total actual expenditure was \$5,909,548.51. Deducting from this the total actual receipts, there was a deficit of \$1,008,474.81 on the actual working of the year, though the surplus of assets on December 31st amounted to \$66,869 exclusive of arrears of revenue.

General Revenue and Expenditure.—Here is given a brief abstract of revenue and expenditure for the years 1901 and 1902.

Assets and Liabilities.—At the end of the year 1902 the surplus of the assets of the Colony over the liabilities amounted to \$66,869.88, the total assets being \$15,903.89 exclusive of arrears of revenue amounting to \$90,780 and the total liabilities to \$749,034.01.

Public Debt.—There is a public debt of £341,799.15s. 1d. outstanding. The original debt was incurred in connection with the Praia reclamation, the Central Market, and water, drainage, and sewerage works. Interest at 3½ per cent. is payable upon the loan, which is being paid off by a sinking fund.

INDUSTRIES.

Most of the local industries of the Colony were carried on with satisfactory results during 1902 and were less hampered by plague than during the preceding year. The fall in the exchange value of silver, to which Sir W. Gascoigne referred in his Blue-book Report for 1901, continued throughout 1902 with hardly a break. The effect of this fall, however embarrassing in other respects, is undoubtedly advantageous as regards many local productions and industries. Cotton-spinning in Hongkong was carried on in 1902 under more favourable circumstances than have prevailed since the initiation of this industry. Comparative immunity from plague, together with improved skill on the part of operatives, resulted in largely increased production, and, aided by declining exchange which checked excessive imports of Indian yarns, the local spinnings were freely sold at gradually advancing dollar prices. Under normal conditions the progress of this industry may now reasonably be considered as assured, but the possibility of an annual recurrence of plague which experience has proved drives many of the work-people from the Colony, owing to their strong dislike to the measures instituted by the sanitary authorities, is a factor which must not be overlooked in attempting a forecast.

The sugar industry had many adverse conditions to contend against during the year, which was a most unprofitable one. Chief amongst these was the continued competition with bounty-fed beet sugars, which low prices in Europe (the result of enormous overproduction) allowed of being placed in Eastern markets at a level never

before reached. The preferential treatment accorded to refineries in Japan and the very onerous conditions there to be contended against constitute a very severe handicap to trade with that country, which was formerly an important outlet for the production in Hongkong. Scarce city of water, and greatly increased cost of labour were factors which further conduced in an unfavourable result to local refineries. In other respects the outlook for industrious enterprise in Hongkong is on the whole promising.

Fisheries—A considerable proportion of the boat-population of Hongkong supports itself by deep-sea fishing, in which pursuit a large number of junks are engaged. In the immediate neighbourhood of the Colony, or within its territorial waters, the fishing industry has not assumed any considerable dimensions. About £2,000 was paid into the Treasury during the year from fees for fishing stakes and station licences in the New Territory.

LEGISLATION.

Forty-seven ordinances were passed during 1902, of which twenty-two were amending and twelve private ordinances. The dependence of the Colony for its water-supply on the annual rainfall, and the occurrence of a serious water famine in the spring of the year under review, showed the necessity of introducing new legislation to regulate and control the supply. The result was the Water-works Consolidation Ordinance, which had for its object the economising of waste. Four ordinances dealt with the New Territory, chiefly in connection with Crown lands resumption, rent recovery, and the registration of titles. Of the private measures the most important was the Tramway Ordinance (No. 10 of 1902), by which the construction of an electric tramway within the Colony was authorised and the necessary legal powers conferred upon the Company by which the tramway is to be constructed.

EDUCATION.

The educational system in the Colony is at present undergoing revision, and it is as yet too early to speak with confidence of the results which may be expected from measures which are, to some extent, only tentative. Of recent years the demand among the Chinese for instruction in the English language has largely increased, and is now so keen that all the Anglo-Chinese schools of the Colony, are full, and many would-be pupils cannot find admittance. There is also a growing number of night-schools and other non-aided institutions where English is taught. One such school, founded little more than a year ago, has a total enrolment of 300; and application has been made by its manager for its inclusion, under the Government Code, among aided schools. Of Government schools, Queen's College, with an average attendance of nearly one thousand, is the most important. Three Anglo-Chinese District Schools, with a total enrolment of about 400, were entirely re-constituted and put under European headmasters from the end of the year. Of aided Anglo-Chinese schools, the Roman Catholic Cathedral school has an average attendance of over one hundred. In all these schools a large proportion of the staff consists of European masters. During the year a school for children (both sexes) of European parentage was established at Kowloon: it has already a total enrolment of over sixty. A committee was appointed early in the year to consider the whole question of education in the Colony, and it published a report in which were enunciated several important principles. Of these perhaps the most universally accepted is the dictum that while educating Chinese in English and Western knowledge, it is also desirable to ensure a certain standard of proficiency in the Chinese written language. The Inspector of Schools, who was in England during the summer, made a study of the methods employed by the Board of Education, and on his return drew up a new code for aided schools. This draft has since received the full approval of the managers of schools.

PUBLIC WORKS.

The principal public works undertaken or completed within the year were the new Law Courts, the road to Taipo, the Western Market, the new Harbour Office, an extension of the Tytam Reservoir, the Kowloon Waterworks, and the Governor's new Peak Residence. The

Law Courts are to be built on the Praya Reclamation. The greater part of the year was occupied in forming the foundations, which were nearly completed. The road to Taipo, the administrative centre of the New Territory, was practically finished. Its width is 14 feet and its length 18 miles. The foundations of the new Western Market were nearly completed up to ground level, and also those of the new Harbour Office. The new waterworks at Tytam and Kowloon have been undertaken in consequence of the inadequacy of the existing water-supply to meet the requirements of the city of Victoria during the dry season. The excavation of the foundations for the new Tytam Reservoir, over a length of about 280 feet, was practically completed, and a portion was filled with cement concrete. The new Kowloon Waterworks scheme is in the hands of a firm of local architects and engineers. Beyond the laying of mains, the defining of drainage boundaries, and a certain amount of excavation, there has not yet been time to make any decided progress with the work. The Governor's new Peak Residence was completed in July and occupied shortly afterwards. The house is large and substantial and stands near the highest point on the island. The total amount spent on Public Works Extraordinary during the year was \$1,157,104; and on Works Annually Recurrent \$506,793. Of the former sum, \$508,000 was expended in the purchase of a site on the Praya Reclamation for the new Post Office.

GENERAL OBSERVATIONS.

From 4th January, 1902, to 8th September, 1902, during my absence on leave, Sir W. J. Gascoigne, K.C.M.G., administered the Government. In April, 1902, Mr. W. M. Goodman was appointed Chief Justice, and towards the close of the year received the honour of Knighthood. Sir Henry Spencer Berkeley, late Chief Justice of Fiji, succeeded him in the office of Attorney-General. Mr. J. H. Stewart-Lockhart, C.M.G., was appointed Commissioner of Weihaiwei in April, 1902, and was succeeded as Colonial Secretary by Mr. F. H. May, C.M.G.

The Coronation of His Majesty the King was celebrated in the Colony by a special service in the Cathedral, by general illuminations, and by the presentation of loyal addresses. A statue of His Royal Highness the Duke of Connaught—the gift of Sir Paul Chater, C.M.G.—was unveiled on 5th July, 1902, and it was announced on that occasion that the same donor and Mr. J. J. Bell-Irving intended to present the Colony with statues of His Majesty the King and of His Royal Highness the Prince of Wales.

The New Territory has continued its gradual and peaceful development; and if it were not for the occasional inroads of disorderly characters from the Chinese side of the frontier there should be but little to record in the way of robbery or outrage. The demarcation of the whole of the New Territory, with the exception of certain strips and the island of Lamma, was finished during the year. The construction of an excellent road from Kowloon to Taipo, a distance of about 18 miles, was practically completed. The system of police stations is also complete, and nearly every station is connected with the city by telephone. The settlement of land claims has been steadily progressing, and it is hoped that the work for which the temporary Land Court was created will shortly be concluded. The area of the New Territory is about 370 square miles, of which the cultivated area is about 45,000 acres or 60 square miles. The estimated population is slightly over 100,000. At present the expenditure on the New Territory, largely due to the cost of the Land Court and Public Works Extraordinary, is considerably in excess of the revenue; but judging from the present rate of progress and prospects for the future it may be expected that the revenue will equal the expenditure within seven or eight years. The local Chamber of Commerce has pronounced itself strongly in favour of the compulsory adoption of the metric system of weights and measures throughout the Empire, and will welcome any change in that direction. In spite of the depression caused especially in import trade, by the fluctuation in the silver market and other more remote causes, the prosperity of Colony has continued to expand during the past year. Statistics show that in spite of the heavy drain upon the

resources of the Colony caused directly and indirectly by the annual recurrence of plague, the financial position of the Colony is sound and gives no cause for uneasiness for the future. At the same time it is well to remember that the assets of this Colony are practically the goodwill of its commerce, and it is only by a continuance of its sea-borne trade—which fortunately as yet shows no signs of declining—that the Colony can expect to remain in its present prosperous condition.

JAPAN AND RUSSIA.

Speculation was rife as to the object of General Kuropatkin's visit to Japan. On the strength of information which it describes as authoritative, the *Osaka Asahi* denies that General Kuropatkin has been visiting Japan with an important commission, as alleged, and goes on to say that if the Russian Government really has a desire to make an arrangement with regard to Manchuria, the Minister for Foreign Affairs should have been sent as a representative. General Kuropatkin, declares the *Asahi*, has no power to effect such an arrangement. Taking into consideration all these facts, the report that General Kuropatkin has an important mission to fulfil is looked upon as incredible. The real object of his visit is set forth as follows. The works for the defence of Port Arthur, which have been pushed forward apace, have progressed considerably, and the works for the defence from a frontal attack are so far completed that the place is so far regarded as impregnable. But the defences against attack from the rear have been utterly neglected. Should hostilities break out between Japan and Russia, communication by sea between Port Arthur and Vladivostock would be entirely cut off should the Japanese squadron occupy the Corean Straits. Moreover, should the Japanese army land on the Kinchow peninsula and cut the communications with the mainland, Port Arthur would soon be isolated, and the result of an attack from the land side might be disastrous. If it is necessary, from the Russian standpoint, to protect Port Arthur adequately, Russia must secure a basis of operations at the mouth of the Yalu to defend Port Arthur and Talienshan, and the communication by land between Vladivostock and Port Arthur must be much improved. For this purpose, it is urged that it is necessary for Russia to bring a railway direct from Vladivostock to Liaoyang, besides the existing line between Vladivostock and Harbin. This explains the object of Russia promoting various works on the banks of the Yalu, under the pretext merely of cutting timber. The real object of the present trip to this part of the world by General Kuropatkin is the inspection of the actual situation of those strategical points. A telegram that Russia is taking measures to construct a railway from Liaoyang to Antong, on the Yalu, confirms the report that the Russians are strengthening the landward defences of Port Arthur. Had General Kuropatkin returned to Europe from the Liaotung peninsula without coming to this country, says the *Asahi*, his visit there would have aroused the suspicions of the Powers, so that it is thought he went to Japan to divert public attention.

The *Kobe Chronicle* in an article on "Jingoism in Japan" says that a more unfortunate course of action for Japan's future interests than that suggested by the Tokyo Professors it would be difficult to conceive. "A war with Russia might result in Japan obtaining an advantage in the Far East for the time being, but for how long and at what cost? If Japan cannot attain her ends by peaceful diplomacy, she may as well give up the contest, for the enormous weight and immense resources of Russia must tell in the end. Japan's chief interest in Manchuria is the maintenance of the 'open door' for the benefit of her trade; and few of her publicists now hold that she can seize and administer the territory with any advantage to herself. But such seizure would almost inevitably follow if she were to be successful for the time in a contest with Russia, as Japan would naturally be afraid that China would not be strong enough to maintain her position, even if Russia were driven out. There seems little question, unfortunately, that a crisis is

approaching. . . . The present Government has shown great skill and tact in diplomacy since taking office, and, aided by the sterling commonsense of Marquis Ito, who has been called in to its councils, it may yet be hoped that the terrible disaster of a war at this critical stage of the country's development will be averted."

In its next issue the *Kobe Chronicle* says:—Nothing very definite is published to account for the increasing excitement shown by the Japanese papers regarding the Manchuria question. Apparently fears of an approaching crisis are mainly based on the change in the attitude of Prince Ching, who is said to have gone over to the Russian side altogether.

The *Asahi* publishes a Peking despatch to the effect that Prince Ching has placed himself on the Russian side. This despatch attributes the Prince's change of mind to the following causes:—It is thought that the high officials in constant attendance upon the Empress Dowager have, after much persuasion, at last induced her Majesty to agree that it is expedient for China to make a friend of Russia. This has led Prince Ching to confirm the policy pursued by the Imperial Court, otherwise he might find it difficult to maintain his position. At first Prince Ching, who is not a strong-willed man and is easily led, attempted to refuse the demands, being backed by Great Britain and Japan, and believing that Japan would help China even if it was necessary to have recourse to the force of arms. Now he has found that Great Britain shows more indifference over the Manchurian question than he anticipated and that the determination of the Japanese Government is not so strong and firm as Mr. Uchida, the Japanese Minister in Peking, had led him to believe. He thinks the officials and politicians in Japan are only interested in the matter for the sake of the power and influence involved. Prince Ching also has to consider his position, and is convinced of the advisability of associating himself with Russia if his position is to be maintained.

Referring to the *Novoe Vremya*'s allegations that Japan is bent on a fatal and needlessly aggressive policy towards Russia, the *Japan Times* says:—"If Russia proves her sincerity by a faithful observance of her international obligations, nobody would ever dream of interfering with her legitimate interests in Manchuria. As a matter of fact, she is deliberately forcing other countries to take up a hostile attitude by her policy of wanton aggression. We can honestly assure our contemporary that nothing could give more satisfaction to Japan than a conviction that Russia is not really aggressive but as peaceful in her intentions and actions as she is declared to be by the *Novoe Vremya*. Is Russia prepared to give us reasonable assurances on this point? We sincerely hope that she is so prepared, although, if our contemporary in any way voices official views, such hope seems to have but slight chance of realisation."

The *Nippon* says that Russia "has herself now made her territories accessible by railways and valuable by development, and the time has come when the question of her partition takes its place among the practical issues of the era." This is Jingoism, with a vengeance!

In its issue of the 1st inst. the *Kobe Chronicle* says that excitement over the Manchurian question has much abated, and there is little fresh news regarding it.

THE JAPANESE PROFESSORS' PROTEST.

The following is a translation, specially made for the *N.Y.C. Daily News*, of the protest sent to the Japanese Government by the seven Professors, Tomui, Tomizu, Terao, Takahashi, Nakamura, Kana, and Onozuka, of the Imperial University, Tokyo:—

Success or failure in the world depends on whether we utilise our opportunities or not. Opportunity taken advantage of can change misfortune into prosperity, while opportunity lost may have just the reverse result. Our diplomacy regarding Far Eastern affairs, since the Chino-Japanese War, seems to have lost its opportunity several times. For instance, our Government carelessly returned the Liaotung peninsula to China without insisting on the condition that it should not be alienated

to any Power, and this is the very cause of the present Manchuria question. If we had opposed Germany, as we could have done with righteousness and effectual power, when she dared to seize Kiaochau Bay, with her insufficient naval force, which neither had any reserve of army, or any naval station in Chinese waters for support, she would have been surely forced to retreat; and if Germany could not take Kiaochau, certainly Russia could have had no pretext to request the lease of Port Arthur and Talienshan.

When the Boxer trouble was over, if the Powers had agreed to stipulate clearly a rule for evacuation to include Manchuria, Russia would have had no pretext to prolong her occupation.

It was our deep regret to see these things, the results of failure to turn opportunities to account.

There will be grave danger to the existence of the State, if our Government overlook the non-fulfilment of its treaty by Russia and submit to temporise with a sluggish policy when Russia is not disposed to evacuate Manchuria though the stipulated time for doing so is past. We must have no more failures, through such opportunities as we lost, first at the return of the Laotung peninsula, secondly at the time of the Kiaochau seizure, and thirdly when Chili province was evacuated after the Boxer trouble. The past cannot be overtaken but we must devise a scheme to recover on one side what we have lost on the other; especially must we not forget that the situation in the East is one of increasing danger, and we have no surpluses of opportunities to lose as in the past. We must not forget that if the opportunity is lost now, neither Japan, Corea, or China will be able to lift their head again. The moment is most critical; if we lose it, it will be our irreparable sorrow for ever. And what plea can we set up to our ancestors or how face the judgment of posterity?

It is proved by recent reports that Russia is threatening us by concentrating her naval force in these seas, while she has supplemented the construction of railways, forts, and batteries in Manchuria by an increased army. One day's hesitation increases the danger. Although we refrain from giving away our military secrets, we can congratulate ourselves that our force, compared with Russia's, will be superior for a year from now. If we fail to take advantage of this opportunity our damage will be irreparable for several thousands of years. Although Russia's force is inferior to ours, she is now acting as audaciously and shamelessly as though she were Mistress in the East, by despising treaties, instigating horse-robbers, sending disguised soldiers into Corea, and devising to get the lease of some important point in Corea. It is needless to say what she intends, when she has assured herself of victory over any antagonist. If she gets a footing in Manchuria, she will surely covet Corea; and when the latter has fallen into her hands, the next step to be taken by her is clear enough.

These are the reasons why we must solve the Manchurian question with a right perception of its roots. At this moment Heaven gives us ample prospect of victory; we have the geographical advantage, while Russia has not yet a stable footing in the East; we have harmony among our people, who are unanimously ready to fight Russia; to neglect the moment is to endanger great achievements of our ancestors and ruin the prosperity of our descendants.

Diplomacy, of course, needs a deliberate consideration, and we must carefully investigate the dispositions of England, the United States, Germany, and France, but the attitudes of these countries are almost plain. That of England will be decided by the interpretation of the Anglo-Japanese agreement, and it is needless therefore to assure ourselves of her disposition since the agreement stipulates that England will keep strict neutrality if Japan fights only one country. Moreover there has been ample occasion to discover her attitude since the 8th April, on which date Russia was to evacuate Manchuria.

The statement that Corea must by no means be put under the influence of any other country would be reasonable, but if we want to protect Corea we must not leave Manchuria in Russian hands. It must be already understood that to place the disputing point in Manchuria would

be quite different from placing it in Corea. Russia, of course, seems disposed to locate the question in Corea, with the inference that Manchuria is already in her hands. But the solution of the present Eastern question must involve the keeping intact of Manchuria; if we yield a step to Russia and let her get to China, she will easily go a step further.

After all the Manchurian question should be discussed without reference to Corea. If we yield and restrict our interests in Manchuria in order to get a trifling, nominal interest in Corea the last state of affairs will be worse than the present condition. To discuss the question from the legal standpoint, the evacuation of Manchuria is, needless to say, Russia's duty. This evacuation does not mean the transference of troops from one district to another, but the clearing away of all troops, including the railway guards. The agreement for returning Manchuria stipulates in its second article that: "The Chinese Government agrees in recovering the sovereignty and administration over Manchuria to recognise the period of contract and other terms agreed upon with the Russo-Chinese Bank; to protect railways and officials in accordance with the fifth article of the agreement; and also to be responsible for the protection of Russian subjects resident in Manchuria and the safety of their works." And in the fifth article of the agreement with the Russo-Chinese Bank it is stipulated that: "Railways and men on the railway shall be protected by the Chinese Government, who shall make regulations," etc.

It is clear enough then that the Manchurian railway is to be protected in accordance with Chinese regulations, which have never recognised that the railway is to be protected by Russian troops. The meaning of evacuation is, therefore, the clearing away of all troops without exception, and Russia's action in protecting the railway by her own soldiers is not based on the Treaty or the Regulations.

Since Russia swore to this agreement before the witnesses of the foreign Powers, that Power which has close and critical interest in the fulfilment of that duty is entitled to request its fulfilment with firmness. We must resolutely require the evacuation of Manchuria. Although Russian statesmen try to bribe us with bonified words we must look at the question from its roots and make no yielding to except Corea for Manchuria or any such sluggish policy.

We are not arbitrarily insisting on fighting; on the contrary we shall greatly regret if we are remembered hereafter as prophets because things have turned out exactly as we surmised.

The Japanese nation is notified that the existence of the State is threatened if the opportunity given by Heaven is neglected. We shall be committing national suicide if we try to put off the crisis by a sluggish policy. The question must be solved at once.

ROBBERIES IN HONGKONG.

A daring theft of a lady's purse-bag was committed on the 7th inst. in the open street by a Chinaman. The owner of the purse, a Spanish lady named Madame Zarza, residing at Beaconsfield Arcade, was looking in a shop window in Des Voeux Road, when a coolie came up behind, caught her by the neck, and snatched the purse, which contained a sum of \$19, off her belt. She called out and tried to catch him, but though it was not yet dark and there were plenty of people about, the man succeeded in getting clear away. The affair was reported to the authorities at the Central Police Station, but there is little if any chance of effecting the arrest of the impudent thief.

While Mrs. Jorge, wife of Mr. F. J. V. Jorge, was shopping in Wellington Street on the 8th instant her purse was snatched by a Chinese. The robber ran into one of the lanes, made his exit to Lan Kwai Fong and then escaped up Glenealy. Mrs. Jorge pursued the rogue, crying for help, but of course could not catch him, had a nasty fall and lost sight of the thief. The purse, which was hanging from her waist, contained \$95 in banknotes, one diamond ring (16 stones), a bunch of keys, handkerchiefs, and some bills. Mrs. Jorge had come down for the purpose of settling accounts and was in company with a Spanish lady, Mrs. Aisa, when the robbery took place. The loss

is valued at \$350. The matter was reported at once by Mr. Jorge, personally, at the Central Police Station.

The moment may be an opportune one for warning ladies - against walking out with their purses dangling from their waist-belts. The above are not the first cases of the kind, but the police are practically helpless, however anxious to prevent such occurrences. In the circumstances the remedy lies with ladies themselves.

The police are investigating at present one of the biggest robberies, so far as the value of the property stolen goes, that has occurred in the Colony for some considerable time. The victim is Mr. Esmailji Tajbahi, a Mohammedan gentleman residing with his wife, an Australian lady, at 45-46, Elgin Road, Kowloon, and the facts of the case are as follows. On the 8th instant afternoon Mrs. Tajbahi, accompanied by her amah, called on a friend. The husband remained at home, and some time after his wife's departure the amah returned and said Mrs. Tajbahi wanted him to go to her. He locked up the house and went along with the amah to where his wife was. Arrived there, he sat down without troubling to ask why he had been sent for, apparently taking it for granted that it was simply to escort his wife home when the visit was over; the amah, however, went away. An hour later the husband and wife arrived back and found to their dismay that the house had been turned upside down, and an investigation of the loss showed it to be a serious one. Promissory notes to the amount of £3,000 were missing, as well as 417 sovereigns, six gold nuggets worth about £50, and jewelry and miscellaneous articles of the total value of nearly \$1,000. The police were immediately communicated with, and they arrested the amah, whose term of service expired next day, when she was to be dismissed. No trace of the stolen property had been found up to yesterday.

CRUELTY TO ANIMALS IN HONGKONG.

On Thursday afternoon a shocking case of cruelty to a pony occurred at Happy Valley. A party of Chinese were out driving in a gharry, which was crowded to an extent that taxed the pony's powers to the point of exhaustion and the poor brute fell down between the shafts, unable to move a step farther. This happened close to the Golf Club. The Chinese undid the harness, but even then the pony was unable to rise although it was unmercifully thrashed to make it get up; and when the Chinese saw that their efforts in this direction were of no avail they procured ropes and crowbars and began to shift the tortured animal to the side of the road in the same manner as workmen move a slab of granite or a log of wood. Ropes were tied round its belly and hauled upon to such an extent that it seemed a wonder the skin did not burst, and all this time the pony was beaten with sticks and lashed with rope's-ends in a most cruel manner. Meanwhile several Europeans had been attracted to the scene but as there were no policemen in the neighbourhood at the moment they were unable to interfere with the Chinese in their heartless treatment of the beast.

At last a canvas sling with ropes attached was brought from the Chun Wah stables and placed under the pony's belly and, the ropes having been passed over the branch of an adjoining tree, the animal was hoisted into an erect position and left there for about an hour with its hoofs dangling half off and half on the ground. It so happened that a medical gentleman, the Hon. Dr. Atkinson, we understand - was passing on his way to the Club when he was attracted by the sight of the pony slung up to the tree. He at once ordered the tortured beast to be shot, but the Chinese had by this time procured a barrow and in this vehicle the pony was removed to the stables, its owners apparently being desirous of preserving for their own gain what little life remained in it.

This is by no means an isolated case of cruelty to these gharry ponies. Almost any evening one can see parties of well-dressed Chinese driving in carriages in numbers far in excess of the little ponies' powers of endurance. The fact that the pony is distressed does

not seem to spoil the enjoyment of the drive. Cruelty to animals is scandalously prevalent in the Colony, and the existing state of things calls for systematic prevention of these cases of which the one described above is a glaring example. Should the police not yet have received a complaint, we may state that evidence of the occurrence can be had from Captain Kellett, Sherwood Foresters; Mr. White, verger of S. John's Cathedral; Mr. J. E. Sinclair, Messrs. Jardine, Matheson & Co.'s East Point Godowns; and Mr. E. F. Skulls, trainer to Mr. Master.

In connection with this same case a correspondent signing himself "Keiss" writes as follows under date 9th July: -

I think it is time something was done to stop cruelty to animals in this part of the British Empire. This afternoon John Chinaman and some of his friends had their usual drive along the Valley, and after thrashing the pony and driving it until it could not stand they simply unbuckled the harness and left the poor animal not to die but to be tortured to death by the wayside. I was not the only observer of this case of cruelty. Hon. Dr. Atkinson, and Mr. E. F. Skulls were also witness of the affair and I am sure these gentlemen know when animals are ill-treated. It is not an unusual thing for Celestials to go out with horses and thrash the very life out of them. When the poor pony had fallen down from sheer exhaustion, the coolies belonging to the Chun Wah stables showed little mercy to it; they tried to shift it to another place with marling-spikes and iron bars, and tied ropes round the animal's middle until it was like an hour-glass in shape. I think the Government might appoint some officers to look after the welfare of animals in this Colony, as it is a cruel shame the way horses and others animals are dealt with at the hands of some of their Chinese owners. I trust that some of the right authorities will see to this.

CHINA'S CURRENCY.

SIR ROBERT HART'S SUGGESTION.

The *N.-C. Daily News* publishes the following special translation of a memorial containing suggestions concerning an uniform currency, presented to the Waiwupu by Sir Robert Hart, Inspector-General of Imperial Maritime Customs: -

1. While the various countries of the world possess a gold standard, China at the present day is still without it and yet continues the use of silver money. It is not because other countries have no silver money, but since gold began to have a steady value regulations were made for a fixed ratio between gold and silver. China not only has no gold currency, but her silver money even has no uniform weight or appearance, nor has she a fixed ratio of exchange between the two metals, so that whenever there is need for gold it must be obtained at market rates. For this reason people in China labour under the difficulty of fluctuating rates of exchange at various hours of the day. Moreover the silver dollars in use are limited in number, the balance of the currency being largely made up of silver ingots and lumps. These lumps and ingots of silver are merely so much silver in the mass, and in the barter for goods are much inferior to the silver dollar. During the past twenty to thirty years the output of silver-mines has been exceedingly great and much more than is needed for use by the various countries of the world, and it is increasing from year to year so that silver has become cheaper and cheaper and the purchase price as compared with gold gradually less and less. Hence it would be much wiser for China to maintain a gold standard instead of a silver one as at present since silver has dropped down to such a degree and moreover possesses no certain or uniform exchange, even within the limits of a single day. The hundreds of trades are all disastrously affected by the present state of the currency while the Government having to pay its foreign debts in gold, both country and people are being plunged into the depths of financial distress. The conditions pictured in the foregoing therefore compel one to seek some plan whereby they may be ameliorated, and so make it that China, while still using a silver cur-

rency, shall so fix an uniform exchange between silver and gold that there may be no danger of uncertain fluctuations. With this object in view I now proceed with my suggestions.

2. If the Chinese Government possessed a large quantity of gold this metal might be struck into gold coins and then a fixed exchange could be decided in their relation to silver money. This naturally would be an easy matter to put into force. But when we have no gold and only use a silver and copper currency, it becomes incumbent upon us to decide upon some method to bring about a fixed ratio of exchange between gold and silver. If it could be possible to do this by making only slight changes in the old methods of exchange, so much the better, as it would obviate the necessity of making the people suffer on both accounts. When there is no gold and yet it is determined to maintain a fixed ratio of exchange between gold and silver, it is necessary to create a silver currency of an uniform weight and fineness, and in quantities sufficient to meet the needs of the whole empire. To do this a Mint to strike these coins is of paramount importance and indispensable. The Central Government must establish a special Mint of its own which shall strike all the coins needed according to fixed regulation, and no branch mints must be permitted to be established elsewhere. As for the proposal to start a Government Bank, while there are, of course, certain benefits and advantages obtainable from such an institution as a matter of fact such a Bank can have little to do with the making of a fixed ratio in the exchange of gold and silver.

3. If it be decided to coin money to supply the currency needed for the whole empire it would be advisable to continue to retain the terms and weights of "tael," "mace," "candareen" and "li" (*Liang, Chien, Fen, Li*) as the people are accustomed to their use. But in minting the uniform currency it will be necessary that it should not only be accepted at a fixed value throughout the Empire, but be also recognised and accepted at a fixed value in exchange for gold in the other countries of the world. This must be the main object in view and is of greater importance than that of being the accepted currency in our own Empire. Hence the "tael" must be made of such a weight as to correspond in value to a certain amount of silver, which should be decided afterwards, with the object of making it a recognised coin in other countries. It has been recommended by certain persons that in coining the new currency the American dollar should be made the standard, because the American dollar has already a recognised and fixed value in relation to gold in other countries. Others again have also recommended that the new silver currency be made each into a piece of coin one Kuping tael in weight, because the present market rate of gold exchange is eight Kuping taels for £1 gold. Either of the above suggestions is feasible, and in making the new currency it should be made into four kinds namely, one-tael, five-mace, two-mace-and-a-half and one-mace coins. Besides these silver coins there should be also struck two kinds of copper money namely ten-cash pieces and one-cash pieces (10 cash = one *fen*; one cash = one *li*). After the establishment of the Mint and the striking of coins of all kinds, it will then be time to decide when the new currency shall be launched upon the country. No other coins should be permitted to circulate in the Empire after this.

4. As soon as it has been decided what coins are to be struck, proper regulations should be made with regard to the mint to be established. If too many branch mints be allowed it is to be apprehended that the money may not be of uniform weight or fineness, and so confusion may be caused such as is now prevalent in the Empire and thus infinite trouble and dissatisfaction to the reforms suggested may arise. The best way would be to select some central spot for the construction of one principal Mint which shall coin all the currency that may be needed by the provincial governments. With the exception of this principal Mint no other mints shall be allowed to be established. All the minting machinery now in use in the various provinces should be without reserve sent to the principal Mint in question so that there may be no waste of the money expended upon it. Besides the native workmen to be employed in this Mint

should also be engaged certain foreign experts, namely, one superintendent, one examiner of silver, one head machinist, and one accountant, each having his special department of work. The one-tael and five-mace silver coins that are to be struck should be made of nine-tenths silver and one-tenth copper; the two-mace-and-a-half and one-mace coins should be made of eight-tenths silver and two-tenths copper. The one-tenth and two-tenths silver balance thus obtained to be utilised as running expenses of the Mint. These coins being thus substantial no one will try to change them. When the Mint has been established it should first begin with the work of coining into money the silver ingots deposited in the provincial treasuries which should be all sent to the Mint to be turned into currency. Should silver bullion be brought to the Mint with the request that it be coined, the foreign examiner of silver should weigh it, and test its fineness. If these should prove satisfactory the money already coined by the Mint shall be paid out in exchange for the silver bullion. Furthermore as to the question whether the Mint shall issue silver notes or prepare silver certificates against the amount of silver coins deposited in its vaults, this is a matter of much importance and requires deliberation and further consultation.

5. After the opening of the Mint, an Imperial decree should be issued prohibiting the circulation of any silver currency within the limits of the Empire other than that struck by the Imperial Mint. A certain limit of time must also be given for the stoppage of circulation, as money of the realm, of all silver sycees and silver ingots hitherto passing current as money, and granting permission to the possessors of such silver to take them to the Mint to exchange for the new currency according to weight of silver so brought. It should also be set forth by Imperial decree fixing the exchange value of the new currency, namely, how many taels shall be equivalent to one £ gold, and how many copper cash to the tael. With regard to the important question of making the new currency accepted in other countries the authorities of the Mint shall, after the issuance of an Imperial decree, appoint an officer to take charge of the duty of exchanging certificates issued by the Mint for gold. This officer shall be given a certain number of said certificates and shall be stationed either in China or abroad. Foreign merchants who have firms, business, or banks in China must use Chinese currency, and in order to obtain such currency are bound to apply to the above-named officer for these Mint certificates. Moreover in buying these certificates the foreign merchants must pay in accordance with the fixed rate of gold for silver currency as determined by Imperial decree. After complying with these conditions, the foreign merchants may then exchange these certificates at the Mint for the new currency coined by it. The gold paid in exchange for the said Mint certificates may either be first deposited with the officer in question or be used to pay the foreign gold debts due by China, or be struck into Chinese gold coins in the future. Due note should be made of the progress of the scheme for the guidance of all concerned in the future. By acting in the manner indicated above the new currency will be a *fait accompli* and have free circulation and there will be a recognised fixed ratio in exchange between gold coins of foreign countries and the new silver currency to the benefit of international trade. This is one way of obtaining a fixed rate of exchange between silver currency and gold which is only explained here in a general way, being too important a matter to be contained within the limits of these suggestions, and it will require careful and mature consideration and consultation to avoid mistakes at the beginning of such a great enterprise.

6. If it be indeed desired to obtain a fixed rate in the exchange of silver currency for gold there seems to be no other way of doing so except the adoption of the foregoing suggestions. It will also be necessary to arrive at an understanding with the banks of other countries and work in conjunction with them; but these are matters requiring much deliberation and attention, and should be taken up as the occasion offers. As to the question of whether China should have a Government Bank, this is also a most important matter although it will not affect very much the question of

bringing about a fixed rate between the price of silver currency and gold. Therefore the starting of a Government Bank may be left to some later period after the establishment of the present all-important matter. It is not a question which must be started before it. However, the various Powers all have Government Banks and have obtained benefits from their establishment, especially Great Britain. When China therefore has reformed her fiscal system then it will be of advantage to also establish a Government Bank. There are six objects in starting a Government Bank: (a) To assist the authorities to collect and take charge of revenue and keep account of it. (b) To enable the collector of revenues to keep account of monies disbursed, etc. (c) To take charge of the National debt and to pay off loans. (d) To take charge of monies deposited by the masses under the same terms and conditions as ordinary mercantile banks. (e) To do the same as other banks in investing government and private funds deposited with it. (f) To transmit for the government all funds needed in the provinces and that should be sent abroad. The above six clauses are the basis of a bank's existence. There is also a further important matter to consider in such an institution, and that is the necessity of appointing as few officials as possible to such a Bank in order not to interfere with the commercial nature of the place. Such a Bank having been established, it will have to work in conjunction with the Mint. The Mint may be even made a department of the Bank, if so it would perhaps greatly simplify matters. With regard to the establishment of branch offices or agencies of the Government Bank, they should be started as the need for them arises. Indeed, the present customs Bank in the outports or any substantial financial institution may also be selected to take up the duties of such agencies in the usual manner like other Bank agencies.

The first and most important idea in these suggestions is of course the making of a fixed rate in the exchange of silver currency and gold. The next idea refers to the extension of the first on the understanding that the first idea has been made a *fait accompli*. Should it be determined to put into practice these suggestions, there are yet details connected with them which may be entered upon as each question arises.

CANTON NOTES.

[FROM THE "CHUNG NGOI SAN PO."]

THE NEW VICEROY.

The action of the new Viceroy has awed all the officials, civil and military; they have been much terrified, and even heart-broken. His Excellency pays great attention to the forts and garrisons. One day when H.E. paid a visit to all the forts in Canton, he questioned the military officers carefully and particularly and asked whether the soldiers had been perfectly drilled or not, whether they were drilled according to Chinese or foreign ways, and what the officers were doing all the time in their offices. One of most important questions, which frightened the officers half to death, was *What should be the execution ground of officials?* as the execution ground of criminals was Tintz-ma-tau. Then he privately asked the soldiers, what was their pay, whether they were properly treated or not, and whether some of them were enrolled as soldiers a few days before his arrival, for His Excellency was quite aware that the military officers were in the habit of making their "squeezes" by keeping only fifty or sixty per cent. of the numbers under their command, the wages of the other forty or fifty per cent. going into their own pockets.

On the 22nd ultimo H.E. visited the police stations, in one of which he saw some opium-smoking paraphernalia. He was very angry, ordered the tools to be broken, and dismissed the persons concerned.

THE KWANGSI REBELLION.

As soon as His Excellency arrived at Canton, Wong Chi-chan, Governor of Kwangsi, came over to pay his respects to him and told the Viceroy that as the rebellion in Kwangsi would soon be over, it need not trouble His Excellency to go over

there. To which the Viceroy replied that he was sent by the Emperor to restore order in Kwangsi and it would be blameworthy on his part if he did not go there. The words of Governor Wong aroused his suspicions, and he made up his mind to go to Kwangsi at once.

CORRUPT OFFICIALS.

The Viceroy has found out over twenty influential officials who were notorious for making big "squeezes." They have been dismissed from office and the Viceroy told them that if they wanted to protect their heads they each would have pay a heavy sum out of the money they squeezed, to defray the war expenses of Kwangsi. Colonel Li Sui-kwai and his brother Li Cheung-fai were ordered to pay 500,000 taels; Pui King-fuk, the Nam-hoi Magistrate, 300,000 taels; and all the other officials from 200,000 taels to 100,000 taels.

YEUNG KU WAN'S MURDER.

Li Ka-cheuk, who was alleged to be the instigator of the murder of Yeung Ku Wan, the reformer, in Hongkong, was also dismissed from office and ordered to return to Canton. It is reported that Li Ka-cheuk, who was acting as Prefect of Yamchow, on seeing the order of dismissal, was mightily frightened and committed suicide; but there is another report that the Prefect died of illness.

FOOCHOW.

Foochow, 4th July.

FLOODS.

Great inconvenience was caused to business and shipping this week by the overflowing of the river. Both were at a stand-still for forty-eight hours. Brokers were unable to get about on account of the flooded state of the streets, and it was dangerous for cargo-boats to leave their moorings owing to the rapid current. The subsidence commenced yesterday and no-doubt work would be resumed this morning.

THE RAINFALL.

June opened with a bright scorching sun and close tropical heat, night and day, but this premature burst of summer culminated in a thunder-storm on the 11th and since then the sun has scarcely been seen for the rain clouds. Judging from the long continuance of the rain and the flooded state of the country one was led to believe that the record of rainfall must be broken but this does not prove to be the case, as will be seen from the following figures of rainfall for the past 10 years, from the 1st June to the 2nd July, inclusive:—

	Inches		Inches
1894	11.07	1899	8.28
1895	6.51	1900	16.05
1896	8.21	1901	12.01
1897	8.86	1902	4.06
1898	10.60	1903	12.59

The heaviest rainfall on any one day during these 10 years, was on the 29th June, 1900, when 5.10 inches were registered; 3.30 inches fell on the following day, and the floods rose very rapidly, covering both the bridges.

THE KUCHENG TIGERS.

A letter from Miss Codrington opens a prospect of sport of the finest description to the lovers of the noble art in China. It is not frequently that occurs such an opportunity as is manifested in the letter. In India those who would slay the tiger must go far afield and spend considerable sums for their trophy of skin and skull. Here in China we have provided for us within thirty hours' journey from this port, as we hear too from independent sources, sport of the finest description ever longed for by the most ardent slayers of brute beast, and not only that, but the pursuit of the Lord of the Jungle will be furthered as far as the surrounding natives can help the sportsmen whose dual aim it will be to bag their tiger and free the natives from their scourge. The usual difficulty encountered by would-be tiger-hunters in China is the lack of help to be obtained by the Chinese. In this case it would seem beaters, guides and trackers will be willingly provided. We call attention to these facts for it is evidently not a mere repetition of the usual annual tiger scare of the district, and we are in hope that these letters may catch the eye of some of the experienced and ardent sportsmen of the other ports and that they may hereby be tempted to try their luck at Kucheng where sport is assured and where every assistance will be offered to them. *Foochow Echo.*

COREAN NEWS.

Chemulpo, 18th June.

THE RUSSIAN GHOST.

I have read many telegrams taken from the Japan papers and reproduced by the *Mercury*, but most of what I have read is "rot." The Japanese see a ghost in every corner, and that is a Russian ghost. Behind every tree in the Yalu district they observe the same kind of ghost, and all and every Japanese representative rushes off at once to the authorities and reports the same. The correspondents (Japanese) of the papers are continually on the look-out and every Russian soldier sighted is magnified into a thousand, like the boy who saw thousands and thousands of cats on the tiles, but when boiled down to a point there were only his tom cat and another one. There are a few Japanese merchants in the Yalu district and these, with the connivance of Corean officials, who are frightened they should lose their chance of doing illicit business across the Yalu with the Chinese, mostly in arms and ammunition, report that the Russians who are felling trees are thousands of Russian troops. These Russians are merely a company, who have a proper agreement with the Corean government to fell timber and are guarded by a few Russian soldiers, as the bandits are numerous in that district, and these soldiers do all they can to put a stop to the Chinese purchasing arms and ammunition from the Japanese, and the latter are very much put out about this business being stopped. It is true that there are a number of Russians employed in cutting timber and that there are also a number of Chinese employed by the Russians in this work, as they are far better workmen than the Coreans, and now and then these Chinese buy or steal Russian uniforms and wear them and this is magnified into a fact that the Russians are enlisting Chinese and forming quite an army. Another move is about to be made and there is to be established

A CUSTOMS BRANCH ON THE YALU.

It is rather late, but better late than never. Years ago, when Mr. Schoenike was Commissioner of Customs at Chemulpo, the harbour master pointed out in a report that a branch of the Customs should be established there, but it was not done and the Customs has lost many thousands of dollars by not taking his advice, which should have been collected on ginseng, timber, cereals, and grasscloth, while thousands of dollars worth of silk and other valuable goods found their way across the Yalu into Corea. No heed was taken of the harbour master's advice. And why? Because China managed the Customs affairs, and the commissioner was under Chinese pay. Well, matters have now changed and the authorities are more under the control of the Japanese, and to my mind they have jumped out of the frying-pan into the fire. However, it is well that the Coreans are about to establish a custom house on the Yalu. Some knowing ones state that this step is a move of the Japanese, but I do not. I believe the affair is arranged by Russia and Corea, and that it will be a great gain in Corean revenue. But such custom stations must be in charge of at least one European, but to place a Japanese in such a position would mean trouble. But how about Tumen Kong? Is there no thought of establishing a revenue station there? I believe there is supposed to be a Corean official for that purpose there, but it means nothing unless an European or American is placed there. A Corean official is not allowed sufficient to find himself in food and consequently there is any amount of robbery going on, and the native official generally manages to save enough to retire on. If an European is put in charge it will be beneficial to the Customs revenue.

LADY OM.

It is expected that Lady Om will be made Empress. Many of the head officials are anxious she should become so and I think she will be made Empress at a meeting to be held soon, as the President of that department is in her favour. On his appointment to that office, not long ago, he presented her with a small present of 14,000 yen. I expect to have to report her coronation soon, and when it comes off it will be a grand affair.

YI YONG IK.

The health of Corea's patriot, Yi Yong Ik, has been far from good. No matter what may

have been said of him or what he has done, one thing is certain he has been doing much for his country. While he enjoyed good health he did a deal for the advancement of the middle and lower classes and for the interest of Corea in general. The Japanese had a strong suspicion that he was pro-Russian, while the Russians did their best to make a tool of him. It may be he did lean somewhat towards the Bear, thinking it would be more dangerous to offend him than the Land of the Rising Sun, and I think he was right in so doing. But Yi got sick, very sick indeed, and it was thought he would never recover. In fact there is a rumour being spread that he is already dead, but is not believed. In fact I know it is false, although he was reported as having died on the 7th inst. He has certainly had a hard tussle in fighting for life. He became so ill that he allowed a Japanese doctor to attend him, and even took up his quarters at the Japanese Government Hospital, where he progressed favourably.

YI YONG IK AGAIN

19th June.

Since sending my letter away of yesterday I have learnt that an attempt has been made to murder Yi Yong-ik. As I said he was in the Japanese Government Hospital at Seoul, and the Japanese Minister had guaranteed that his life would be safe there. He had received every attention and a guard of police was placed there by order of the Minister, to make certain that he would not be molested in any way. What really happened is, someone has tried to blow up the hospital, so as to murder Yi Yong-ik. It happened on Monday afternoon 12th instant at 2.30 o'clock. It appeared that dynamite was placed under the room where Yi was, and exploded, blowing it to pieces, but fortunately Yi was not hurt at all, and only one of his servants had his shoulder slightly hurt. Just before the explosion, strange to say, the doctor had left him, the policeman in attendance left the same time, which looks rather suspicious.

The affair was at once reported to the Japanese Minister, who appeared at once on the scene, looking rather dejected. Yi, who was fast recovering from his illness, expressed a wish to leave at once, and the Minister provided him with a chair and bearers, and a guard of Japanese police, and Yi was escorted to his own residence in safety. The Emperor hearing of the attempt on his life at once sent a battalion of Palace Guards to keep a watch that no farther attempt should be made. The Japanese Press here and at Seoul are trying to persuade the public that it was Coreans who blew the place up, but this is not believed. The Japanese Minister seems very downcast about the affair and so he ought to be, I think.—*Mercury*.

[The anti-Japanese bias of this correspondent is obvious; but it can do no harm to hear the other side of the case in Corea.—ED. D.P.]

CORRESPONDENCE.

THE VOLUNTEER DRESS UNIFORM.

TO THE EDITOR OF THE "DAILY PRESS."

Hongkong, 1st July.

SIR.—Apropos of the Volunteer Promenade Concert that takes place on the 11th instant, it has been suggested by several of our corps that a more satisfactory dress uniform might take the place of the present one, so far, at least, as the rank and file are concerned. The present dress-uniform is much too heavy, being more suited to a Shanghai winter than to the usually mild temperature of Hongkong. It is also not by any means an attractive dress. Might I join with others in suggesting a neat, and above all a well-cut, white uniform. Many members even in these days of depreciated dollars wouldn't mind buying their own dress uniform, I should imagine, rather than wear the present abomination. Enclosing my card.—Yours, etc.

A GUNNER.

A SUGGESTION FOR PUBLIC RICKSHAS.

TO THE EDITOR OF THE "DAILY PRESS."

Hongkong, 2nd July.

SIR.—I have noticed in a recent issue of your paper some correspondence having reference to contamination from public rickshas. There is

no doubt that the danger of such cases does exist, and it seems to me that the risk could be considerably reduced by a single simple method, which is the rule, not the exception, in Singapore, Shanghai, Tientsin, and other important Oriental centres. I refer to the covering of the seat, back, and sides of the vehicles with a white slip or cover, which could be easily changed when necessary. Furthermore, it would be of considerable value in preserving to a great extent the clothes of the rider. A few rides in a public ricksha, in the white clothes which are so universal during the hot months, will convince any lady or gentleman that such a change would be most welcome. Hoping that my humble observations may bring the matter before the eyes of those who are competent to effect such a desirable move.—Yours, etc.

ODIN.

THE COST OF LIVING.

TO THE EDITOR OF THE "DAILY PRESS."

Hongkong, 2nd July.

SIR.—The cost of living is a subject of perennial interest to every dweller in Hongkong, and your leading article in yesterday's *Daily Press* in which the prices of market produce ruling ten years ago are contrasted with the prices ruling to-day, has doubtless formed a topic of discussion in every household.

While there is no room to dispute the all-too-palpable fact that prices have gone up enormously during the last ten years, there seems to be no settled opinion as to the cause thereof. Your evening contemporary, the *China Mail*, for instance, in discussing the matter says:—"We have often wondered why market prices in Hongkong for local produce should be affected by the fall of exchange. Why it should cost more to grow a potato or to rear the anæmic chickens we are accustomed to see in Hongkong or to procure a none-too-fresh fish for the breakfast-table because the price of silver bullion is depressed by New York manipulators is difficult to understand."

Well, Sir, I do not think the reasons are difficult to comprehend. In the first place the prices would be regulated by the law of demand and supply. Ten years ago this Colony had an estimated British and foreign population of 10,590; the latest official estimate published gives that population as 18,524. The Chinese population of the Colony (exclusive of the New Territory) has increased in the same period by about 25,000. I suggest that this large increase in the demand for market produce, has certainly had the effect of enhancing prices to some extent. We might very well consider also what effect the great increase in rents has had upon the cost of market produce. If the Chinese producer has to pay to-day twice as much in rent as he did ten years ago, his only way of raising additional income is to increase the selling price of his produce. It may be true of certain parts of China that the fall in exchange has not affected the cost of market produce: I have, indeed, seen it asserted as a fact. But we are in Hongkong, and not in Szechuen. Rents here of all classes of property have increased very considerably, so also has the cost of all kinds of labour, while it goes without saying that the silver price of all materials imported from abroad for us, here in industry and trade has had to be increased in proportion to the fall in exchange. All this must enter directly or indirectly into the ultimate cost of the humble potato and the anæmic chicken. The fact that the potato grower and the poultry-keeper are getting more dollars for their produce to-day than they did ten years ago does not necessarily imply that their stock of dollars saved is proportionately greater.

I cannot see how it can be denied that prices are affected to a fairly large extent by the currency medium, but inasmuch as consciously or unconsciously, we in Hongkong regulate our financial affairs on a gold basis while using a silver currency, I fail to discover what sound reasons can be advanced for delaying the adoption of a fixed exchange rate for Hongkong until China shall have been induced to establish a gold standard for the whole Empire. These are a few thoughts which have occurred

to me, Mr. Editor, after reading the articles in the *Daily Press* and *China Mail*. I do not wish to pose as an authority on the subject and therefore beg to subscribe myself.—Yours, &c., ASTERISK.

LOCAL MALARIA FALLACIES.

TO THE EDITOR OF THE "DAILY PRESS."

Hongkong, 6th June.

SIR,—I should like to make a few remarks about the local Government's work regarding the crusade against mosquitoes, &c., the prevention of malaria, concerning which one reads so much in the Sanitary Board proceedings as reported in the local papers.

First, of the anopheles species of mosquito, which probably alone carries the malarial parasite, the usual habitat is as stated in Dr. Thompson's able report on malaria prevention dated 3rd November, 1900: "little breaks in the rocky surface by the side of the stream, where the merest trickle from the stream itself prevents entire stagnation and where there is no through wash of water"; also report dated 25th October, 1902: "The anopheles mosquito breeds high up in the ravines."

It is obvious from reading the above two extracts that the anopheles, unlike the household pet (or pest) the culex species, prefers clean water for breeding purposes and this cannot be got at the level of the town of Victoria in which everything is filthy, therefore it is very exceptional for an anopheles to reach maturity below the level of say MacDonnel Road. At about this level the training of nullahs ceases above and extends below to the sea. The only deduction therefore is that, as is quite often enough the case, with Government works, the crusade against the malaria mosquito has been begun at the wrong end and finished at about the spot where it should have been begun in the first place—in other words, a large amount of money has been spent in useless training of the lower end of nullahs where the work catches the eye, and no money has been spent on training the nullahs at the upper end with the result that the amount of malaria in the Colony has only been decreased to a small extent which can quite be explained by the better knowledge of diagnosis and treatment possessed by the more scientifically trained medical men of the present time.

Second, the system of cutting brushwood and other undergrowth in the vicinity of houses is a great mistake and likely instead of diminishing malaria to increase it for the following obvious reasons.—Undergrowth only harbours adult mosquitoes when they require shelter from rain, cold or sun; if this shelter is cut away what will the mosquitoes do? Die? No. They will seek shelter elsewhere. Where? In the houses near, or will they fly away to search for more undergrowth at a distance? Ask the people living in the houses around which undergrowth has been removed and they will tell you that whenever a cutting has taken place the mosquitoes swarm in much greater numbers in their houses until the undergrowth grows again.

Again, what are the deductions to be drawn from the above? 1st. That nearly all training of nullahs as carried on at present has been waste of time and money; and, 2nd, That the cutting of undergrowth around houses is worse than useless. I ask you is it not time that the crusade against the malaria fiend be carried on on logical grounds for practical results and not scenic effects.—Yours, etc.,

SENSIBLE SCIENTIST.

Dr. Morrison writes to the *Times* under date 3rd June:—The Chinese Government, while professing gratitude at the action of the United States, are not ignorant that the indemnity of £5,000,000 claimed by America exceeded her actual losses. The amount named was simply a round sum—a one-eighth share to each of the eight military Powers concerned of a total of 40 millions, which America considered to be the amount China should be asked to pay. Even if she accepts payment in silver, in consideration of these facts America is still left with a wide margin in her favour, though not so large, it must be admitted, as in the case of some of the Continental Powers.

SUPREME COURT.

Monday, 6th July.

IN ORIGINAL JURISDICTION.

BEFORE HIS HONOUR SIR W. M. GOODMAN (CHIEF JUSTICE).

CLAIM AGAINST AN INSURANCE COMPANY.

The Kwong Chun Hing firm sue the Hang On Marine and Fire Insurance Co for \$3,725.42, being amount due upon a policy of insurance. Mr. T. Morgan Phillips, barrister-at-law (instructed by Mr. C. E. H. Beavis of Messrs. Wilkinson & Grist, solicitors), appeared for the plaintiffs; and Mr. E. H. Sharp, K.C., barrister-at-law (instructed by Mr. F. B. Deacon of Messrs. Deacon & Hastings, solicitors), was for the defendants.

The plaintiffs in their statement of claim stated that they were interested to the amount of \$5,500 under an open marine policy of insurance made by the defendants, for that amount, dated 23rd June, 1902, on certain perishable goods shipped on board the British steamer *Zafiro*. In the particulars of their claim plaintiffs said that the goods were shipped from Hongkong to Manila. The premium paid to the defendants was \$13.75, being at the rate of 25 cents per \$100. The goods were insured against the perils of the sea. There was a total loss as to part of the goods and constructive total loss as to the remainder. Notice of abandonment was given, shortly after arrival at Manila of the *Zafiro*, by the plaintiffs' representative to the defendants' agent at Manila. After such notice the defendants' agent agreed to take over the damaged goods as a total loss and requested the plaintiffs' representative to dispose of the same on account of the defendant. The goods were accordingly sold, and realised after payment of expenses a net sum of \$2,097.21, leaving a deficit of \$4,402.78, of which amount \$3,725.42 was payable by the defendants. This sum with interest the plaintiffs claimed.

In their statement of defence, defendants as to the first part of the statement of claim admitted that the plaintiffs were interested under the policy of insurance therein mentioned and they admitted the truth of the particulars therein contained concerning the voyage and perils insured against; they admitted also that part of the goods covered by the policy were damaged on the voyage. But the remainder of the goods were delivered to the plaintiffs at Manila in (as the defendants believed) sound condition, and the plaintiffs neither gave nor were entitled to give notice of abandonment thereof. As to the second part of the statement of claim, the defendants did not by their agent at Manila or otherwise agree to take over any of the goods nor request the plaintiffs to sell the same on their behalf or at all. Defendants did not know how the plaintiffs dealt with the remainder of the goods aforesaid. The defendants were and always had been ready to pay to the plaintiffs whatever sum was due from them to the plaintiffs, respecting the partial loss of the goods, and the defendants had repeatedly asked the plaintiffs for the account of their claim in that regard, but the plaintiffs had refused to furnish the defendants with such an account. The defendants would now pay the said sum into Court, but by reason of the said refusal they were unable to ascertain the amount thereof. Save as aforesaid, defendants denied all the allegations in the statement of claim. By virtue of an order dated 16th June 1903, there was added to the defence the statement that by particulars contained in a letter dated 9th June, 1903, and written by the plaintiffs' solicitors to the defendants' solicitors (to which the defendants crave leave to refer), the sum due from the defendants to the plaintiffs in respect of the said partial loss was shown as nearly \$2,200. On 16th June, 1903, therefore the defendants paid into Court by leave thereof the sum of \$2,200, which, the defendants said, was enough to satisfy the plaintiffs' claim.

Mr. Morgan Phillips in opening the case for the plaintiffs said the sole issue in the action was whether or no after the arrival of the *Zafiro* at Manila there was legal abandonment of the cargo to the defendants. On or about 20th

June, the *Zafiro* left Hongkong bound for Manila having on board about 314 packages of goods shipped by the plaintiffs to their house at Manila, and these goods were the subject-matter of the insurance policy and of this action.

His Lordship—By the payment into Court of \$2,200, the only matter between you is \$1,529.

Mr. Morgan Phillips—Yes.

Mr. Sharp said that that sum had been paid in respect of all the particulars they had yet had; if particulars of yet further partial loss were provided they were prepared to pay it.

His Lordship remarked that with regard to the 195 packages in dispute the insurance company did not deny that there was some damage done to them. They said they did not know how much it was, and the plaintiffs said it did not matter because they gave defendants notice of abandonment and their agents in Manila accepted it although they now said they did not. The only point to settle was whether there had been abandonment or not.

Mr. Morgan Phillips, continuing his address, said that the goods shipped consisted chiefly of food-stuffs. While on her voyage from Hongkong to Manila the *Zafiro* ran ashore on some place in the Philippines. She was damaged, her Nos. 3 and 4 holds were filled with about 10 feet of water and the goods in these holds were very much damaged. She arrived at Manila on 25th June. Soon afterwards part of the cargo was discharged from these holds and it was found to be in such a putrid state that 119 packages were dumped into the sea. As soon as the plaintiffs' agent heard of the accident to the *Zafiro* he went to the defendants' and told them that he had certain goods which they had insured on the *Zafiro*, giving them a sort of formal notice. Subsequently he went to them and asked what was to be done about these goods. He asked them to take over the goods. Defendants' agent, as the evidence would show, said that he would take over the goods—195 packages—which were still on the *Zafiro* and which were subsequently removed to the Custom House. It took some little time before the goods were lodged in the Custom House. Defendants' agent said he would take these goods over but asked the plaintiffs' representative to sell them on defendants' account, as it was rather out of their line of business to sell goods, and subsequently furnish them with an account. After several interviews defendants' agent agreed to take over the goods and requested plaintiffs' representative to sell them on defendants' account. This was done. On or about 7th August the goods were taken from the Custom House and sold by the plaintiffs on defendants' account and an account was furnished to the defendants by the plaintiffs. Defendants were asked to chop this account. The agent refused to chop it on one or two occasions, saying he required proof of the loss of the goods. Ultimately he affixed his chop to a document which was accepted as an admission of abandonment.

Mr. Sharp having replied,

His Lordship on the sole issue as to whether or not, after the arrival of the *Zafiro* at Manila, there was a legal abandonment of the subject-matter of the action to the defendants, decided in favour of the defendants who accordingly established their contention that there was neither an actual nor constructive total loss. The amount of the partial loss, which the defendants had always admitted liability for, remains to be settled between the parties.

The Court adjourned.

Thursday, 9th July.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR A. G. WISE (PUISNE JUDGE).

DISPUTE ABOUT A DOG.

A case was called in which Pedro N. Sequeira, 32, Elgin Street, claimed from Felix Lorria the return of a brown pointer dog belonging to the plaintiff, or in the alternative \$200 damages. Mr. F. X. d'Almada e Castro, solicitor, appeared for the plaintiff; and Mr. E. J. Grist of Messrs. Wilkinson and Grist, solicitors, was for the defence.

Mr. d'Almada stated that the dog in question, which went by the name of "Brownie," had belonged to Mr. Ehmer who was formerly employed in the firm of Messrs Meyerink & Co., in which firm plaintiff was also employed. When Mr. Ehmer was about to leave Messrs. Meyerink & Co. to join Messrs. Grossmann & Co. the plaintiff asked him for the dog in case he should leave the Colony. Mr. Ehmer promised that he should have the dog. A few months afterwards when Mr. Ehmer was about to leave the Colony, he sent for the plaintiff and told him that he could have the dog, and as a matter of fact just before leaving the Colony he handed the dog over to one Schmidt to give to the plaintiff. For some time the plaintiff had possession of the dog. Then he lost it. When he recovered the dog he took it over to Macao, where the defendant, meeting it, brought it back to Hongkong and had kept it in his possession ever since. Plaintiff demanded the dog back but defendant refused to give it up to him, saying that if plaintiff insisted in his demand, defendant would have him put in gaol.

Plaintiff was put into the witness-box and was giving evidence, when

Mr. Grist submitted that whatever the plaintiff might say was nothing short of hearsay evidence.

His Lordship agreed that on both sides the evidence could only be of a hearsay kind, and he suggested that the parties should agree to send a telegram to Mr. Ehmer, who is presently in Germany, asking him to say to whom the dog had been given.

Parties agreed to this course.
The Court adjourned.

BRIBERY CHARGE AT POLICE COURT.

On the 3rd July, before Mr. J. H. Kemp, Acting Police Magistrate the hearing was resumed of the charges against R. G. McEwen, inspector of markets, of accepting bribes to influence his conduct as a public servant.

Chan Wong was recalled and cross-examined by Mr. Slade. He said he went to the defendant's house on 24th December last. It was about 4 p.m. He saw no one else besides the defendant, who was on the verandah. Witness just opened the door and walked in; he had never been to the house before.

Li Kwan was called and examined by Mr. Bowley. He deposed that he was the master of the Sun Fu shop, 4, Western Market. He could not tell what happened in the sixth moon last year, because he was in the country. He knew the defendant.

Mr. Bowley—Have you ever given him any money?

Mr. Piper—Might I ask your Worship to caution this witness?

The witness was cautioned, and replied that the defendant wanted \$60 a month. Witness himself gave the defendant \$30, and another man named Ah Wong gave him \$120. That was on 24th December last. Witness handed over the \$30 at the defendant's house in Chater Street, Kennedytown. Besides the money, witness also carried some birds and cigars, but it was such a long time off that he forgot what kind of birds they were. Ah Wong had charge of some capons for the defendant, who, when he received the articles, said—"Thank you." The reason for the giving of the money was that it was Christmas time, when presents were usual.

Mr. Bowley—What did you expect in return for the money?

Witness—Well, the inspector was sometimes very ferocious, and used to strike everybody.

Mr. Bowley—And you thought that the giving of the money would make him less ferocious?

Witness—Well, we are business men, and whenever any European comes into our shop a large crowd collects outside.

Cross-examined—He had been sent for from the Registrar-General's department, on the complaint of the complainant, for a breach of the market regulations. His licence was taken away during his absence in the country.

Ip Cheung, one of the masters of the Young Fat Long shop, 64, Central Market, was next examined by Mr. Bowley. He said he knew the defendant whom he visited on 20th December in consequence of a meeting of

the poultry guild of the Central Market. He said to him in Chinese—"It will be Christmas in a few days more. What will you take?" The defendant replied—"You give money; I will buy myself." Witness reported accordingly to the guild, which held a meeting. As far as he knew, no one else heard the conversation between him and the defendant, who at Christmas time received from witness one \$100 note and four boxes of cigars. The presents were given in defendant's house at Chater Street on Christmas Day, between four and five o'clock in the afternoon; two other men accompanied witness, and all travelled in rickshas. Witness gave the cigars to the defendant, and one of the other two the money. When they went to the defendant's house, he was on the roof, according to one of two Europeans who met the witness's query as to where the inspector was; presently the defendant came down in company with another European. Witness and his two sons waited on the verandah, where the defendant came to them. Witness said—"Inspector, now I am going to give you these presents," whereupon they were handed over. The bank-note the defendant put in his pocket and the cigars under his arm, remarking—"Thank you." Witness and the other two left by a different stairway from that by which they had entered. One of the three Europeans in the house witness knew by sight, but not so the others. The reason the money was given was that the defendant was causing the guild a lot of trouble.

Mr. Slade had no questions.

U Kam, master of the Tai Chun poultry shop, 63, Central Market, one of the two who accompanied the previous witness on his alleged visit to the defendant's house, gave corroborative evidence. The money was given, he said, in order that the defendant should give them no trouble.

No questions by Mr. Slade.

Lum King Sum, the last of the three men who were said to have visited the defendant's house on Christmas Day, also gave corroborative evidence.

Mr. Slade did not cross-examine, and the case was remanded till Thursday next at 2.15 p.m.

Mr. Bowley again applied to have the defendant's bail of \$500 increased.

Mr. Slade was about to speak in opposition to the application, when

His Worship said—I think the amount of the bail is sufficient.

The hearing was adjourned.

The hearing was resumed on Thursday, the 9th inst. Mr. F. B. L. Bowley, Crown Solicitor, prosecuted, Mr. M. W. Slade, barrister-at-law, defended, and Mr. D. Piper, solicitor (Messrs Johnson, Stokes, & Master), watched the case on behalf of the poultry guilds of the Central and Western Markets and of witnesses called from these guilds.

Chief Detective-Inspector Hanson was called and formally examined by Mr. Bowley as to the statement the defendant made when charged.

This concluded the case for the prosecution, and in answer to his Worship the accused said he reserved his defence.

He was committed for trial.

Mr. Slade asked for bail for his client.

Mr. Bowley repeated his application for enhanced bail, and suggested two sureties of \$800 each.

Mr. Slade contested the application, and said he was at a loss to understand the persistency of the Crown in the matter. The defendant was fully prepared to meet the case against him in the Supreme Court, and to that end had reserved his defence, which in itself was a sufficient indication of his purpose.

While he did not think that the finding of two sureties of \$500 each would impose any hardship on the defendant, his Worship said he had first of all to find whether there was a case to answer. He had found there was, and he did not wish to do anything that might be construed as being an expression of opinion on the merits of the case. He therefore proposed to fix bail at the same amount as before—\$500.

The American four-masted schooner *Carrier Dove*, loaded with a million feet of lumber from Tacoma for a Shanghai firm, is stranded at Shaweishan Island, in the Saddles. She is said to be in no particular danger.

HONGKONG WATER POLO LEAGUE.

What had been looked forward to as the best match in the Polo Shield competition was played off on the 6th inst. at the Victoria Recreation Club enclosure between teams representing the Hongkong Volunteer Corps and the Young Men's Christian Association. There was a large attendance of spectators when the teams entered the water a few minutes after six. For the Volunteers there played Armstrong, F. D. Bain, Kennett, Herbst, H. A. Lammert, Henderson and Loureiro; while on the other side were J. Miller, the two Witchells, the two Gidleys, Cooke and Marty. From the first throw-in to the finish the game was fast and exciting and some very good play was shown on both sides. The Y.M.C.A. opened the scoring within the first minute of the game; and very soon after the restart Henderson equalised for the V.C. Throughout the remainder of the game each team strove to the utmost to obtain the lead. The Volunteers crossed over with one goal to the good at half-time. Then R. Witchell scored the equaliser, but just a few minutes from time the Volunteers secured another point and retired winners by 3 goals to 2. The two Witchells played a grand game for their side and so also did Cooke and Goalkeeper S. Gidley. On the winning side Bain, Armstrong, and Lammert were prominent. Mr. T. Meek was referee.

The following is the present condition of his competition:

No.	Goals
Club Lusitano	1 1 0 8 0 2
R. G. A.	1 1 0 6 0 2
H. K. V. C.	1 1 0 3 2 2
Y. M. C. A.	1 0 1 2 3 0
S. F.	1 0 1 0 6 0
R. E.	1 0 1 0 8 0

The Club Lusitano are due to meet the R. G. A. on the 20th inst.

ROYAL HONGKONG GOLF CLUB.

CAPTAIN'S CUP AND SILVER MEDAL FOR JULY.

The following cards were returned:

CAPTAIN'S CUP.

Mr. C. A. Parker, R.N.	91	13	78
Mr. J. E. Lee	94	15	79
Mr. W. W. Clark	81	4	80
Mr. N. J. Stabb	98	18	80
Mr. W. C. D. Turner	99	17	82
Mr. G. Stewart	89	4	85
Mr. C. E. H. Beavis	86	scr.	86
Capt. H. Crichton, R.N.	97	11	86
Mr. T. C. Gray	107	17	90

34 entries.

POOL.

Mr. C. A. Parker, R.N.	91	13	78
Mr. W. W. Clark	84	4	80
Mr. T. C. Gray	98	17	81
Mr. G. Stewart	89	4	85
Mr. C. E. H. Beavis	86	scr.	86
Capt. H. Crichton, R.N.	97	11	86

18 entries.

COMPLETION OF THE PACIFIC CABLE.

The last link in the American Pacific Cable was forged on the 5th instant, and the following messages between President Roosevelt and Governor Taft of the Philippine Islands were the first to be transmitted across the wires:

"To Taft, Manila.—I open the American Pacific cable with greetings to you and the people of the Philippines.—Theodore Roosevelt."

"The President, Washington.—Your welcome message received. The Filipino people and the American residents in these Islands are glad to present their respectful greetings and congratulations to the President of the United States, conveyed over the cable with which American enterprise has girdled the Pacific. By rendering greatly easier and more frequent communication between the two countries, it will certainly lead to a closer union and better mutual understanding of each other's aims and of their common interest in the prosperity of the Philippines and the education and development of the Filipinos. It is not inappropriate to incorporate in this first message across the Pacific from the Philippines to America an earnest plea for the reduction of the American

tariff on Philippine products in accordance with the broad and liberal spirit which the American people desire to manifest toward the Filipinos, and of which you have been an earnest exponent—Taft."

FORGERY OF H. & S. BANK-NOTES.

According to the *Osaka Asahi*, extensive forgeries of the notes of the Hongkong and Shanghai Bank have been brought to light in Osaka, and three men are now under arrest. It appears that the forgery was first discovered in Hongkong [but later it is stated that the arrest was made in Shanghai], where a Japanese named Hayashi Hidekichi was arrested on the 20th ult., which led to the apprehension of two men in Osaka. It is stated that between March and April last two men named Ishikawa and Hisayo forged from 3,000 to 4,000 of the 5 yen notes of the Hongkong and Shanghai Bank in the house of Ishikawa in Osaka, and Hisayo, with about 1,000 of these forged notes, proceeded to Shanghai by the *Shinano Maru*, which left Kobe on the 23rd May. The man spent a few days in Shanghai and succeeded in passing about a hundred of the forged notes, and then proceeded to Hongkong. Here he put up at the "Hiroshima Hotel" [?] and was trying to dispose of about 1,000 of the notes when a Japanese named Furukawa discovered that they were forged and threatened to expose Hisayo, who promptly gave his accuser about 800 of the notes as a bribe. Hisayo was successful in passing about 200 of the notes, and came back to Osaka at the beginning of last month. About that time, a young man named Hayashi, a friend of Hisayo, was about to leave Osaka for Shanghai, and paid a visit to Hisayo to say farewell. Hisayo then asked his friend to oblige him by taking some of the forged notes to Shanghai and passing them for him. He accordingly handed about 250 of the notes to Hayashi, who took them to Shanghai. He was trying to pass one of them when suspicions were aroused, and the fraud was discovered by the authorities of the Japanese Consulate-General. The man was arrested in Shanghai on the 20th ult. and the two men in Osaka on the 26th ult., and the stock of paper used for forging the notes, together with some more notes which were ready to be circulated, was seized.

Enquiries here have not resulted in the confirmation of the statement concerning the passing of about 200 five-yen notes in Hongkong. The police report that some time ago a Japanese was successful in passing in the Colony a couple of counterfeit five-dollar bills. He managed to evade arrest, and since his departure no other attempts of the kind have been made.

FINED FOR SHELTERING FROM A TYPHOON.

At the end of June the *Benvenue*, of the "Ben" line of steamers, arrived at Kobe from home ports. The vessel had not been long in the harbour before the master, Capt. Webster, received a summons to attend before the Customs authorities, by whom he was examined, on complying with the summons, and fined 15 yen, his offence being, it appears, an infringement of Article 18 of the Japanese Customs Law.

A representative of the *Kobe Chronicle* saw Captain Webster on the 30th ult., and obtained from him particulars of the alleged offence, which, it seems, was committed nine months ago. The captain says the *Benvenue* left Kobe on the 5th September last year for Yokohama. The weather was threatening from the outset, the barometer was falling steadily, and before many hours squalls of wind and fine rain gave indications of the approach of a typhoon. The *Benvenue* was light, carrying only two hundred tons of cargo, and had the coast on her lee. As the weather grew hourly worse, the captain, under these disadvantages, with the object of protecting his ship, crew, and cargo, made for the nearest harbour, which happened to be the almost land-locked Kada Bay in Kishu. For two days, the captain says, a terrific typhoon blew outside, and even in the safe harbour of Kada Bay, the *Benvenue*, with all available anchors in use, came near being driven ashore. On the second day of their stay in "port," the steamer was boarded

by twelve policemen, who could not venture afloat earlier because of the storm. The police obtained the particulars they required and left, the *Benvenue* afterwards continuing its voyage to Yokohama, and from there on to England, the captain thinking nothing more about the incident. As indicating the nature of the weather on that occasion, Captain Webster remarks that on that voyage the *Gleneck* left Kobe a little later than the *Benvenue* and took three days to reach Yokohama, which was done with cargo and vessel damaged, while the German mail from Yokohama also took three days to reach Kobe. Captain Webster also had something to say with regard to port regulations. He had been charged with a breach of the Customs law. In Japan, he said, they were expected to know the regulations of the ports before they entered them. In Hongkong and other ports, a captain on entering a port was supplied with a copy of the port's regulations, which was expected to be returned before the vessel left. In these cases a Captain had an opportunity of learning the rules in force, but this method was not in vogue in Japan, although the Customs authorities were not slow in enforcing the penalty for infringement against all and sundry.

The Article alleged to have been infringed reads as follows:—"A vessel engaged in foreign trade may not enter or leave an unopen port, but this does not apply to vessels in distress or to other cases where unavoidable circumstances exist. When a vessel engaged in foreign trade has entered an unopen port, for any of the above reasons, the master shall forthwith report the reason to a Customs official, or, if there be no Customs official, to a police officer." Punishment for infringement of this rule is a fine not exceeding 2,000 yen. Now, as the master's evidence shows, it was impossible to make such a report before the police came off, because of the bad weather, and yet the Customs regard the offence as one to be met by a fine. Though the fine is a nominal one, the principle at stake is important, says the *Kobe Chronicle*.

THE "SUMNER" DISASTER.

Manila papers to hand contain further particulars of the disaster to the U.S. transport *Sumner* in the Philippines of which we have already published a special telegraphic account. She ran on a reef off the coast of Amboi Camarines some time during the fourth of July and she now lies opposite the *pueblo* of Mauban with several large holes in her bottom. Three of the bow compartments are filled with water, and while there is no danger of her sinking, it will be necessary for the vessel to be convoyed back to Manila, and possibly towed with the assistance of her own steam. The transport is bow-low in the water.

Reports as to how the accident occurred are as yet meagre but enough is known to warrant the statement that the transport must be brought to Hongkong and repaired here in the dry-docks before she can make her trip to New York. This will be at least two months and possibly three. There is a bare possibility that the *Sheridan*, now en route from San Francisco, may make the trip instead of the *Sumner*, but anything that is said about the proposed voyage is at this time mere speculation.

The 4th Infantry which arrived in the Philippines on the *Logan*, was transhipped in Manila Bay to the *Sumner* and she went south a few days before to distribute the companies at various stations in that part of Luzon. She had put troops off at several places and was en route to Atimonan to drop Companies K and L, when she ran on the reef. The accident is believed to have occurred off Mauban or Daet. Apparently the accident occurred at partially low tide, because when high tide came in the vessel floated off the reef without incident further than the filling of the compartments where the immense steel plates had been punctured, and the settling of the vessel's bow. She now lies with her stern high in the air.

After its call at Atimonan the transport should have called at Daet and there put off Companies I and M for that station and Companies A, B and C for Nueva Caceres, the capital city of Amboi Camarines, together with the headquarters, field staff, and band of the regiment.

The *Ingalls* being in the harbour when a

telegraphic report of the accident was received, that vessel was ordered to sail to the relief of the disabled transport. At the same time the chartered transports *Lal-loc* and *Proteus*, which are in southern waters in the vicinity of Amboi Camarines, were given telegraphic orders to take the troops and supplies off the *Sumner* and continue the distribution which has been interrupted by the mishap, and pick up the troops of the 26th Infantry which are scheduled to return to the United States on the *Logan*, a duty which had been assigned to the *Sumner*.

The *Sumner* has met with so many accidents of late that she is now regarded as the "hoodoo" ship of the U. S. Army Transport Service. Her last trip from San Francisco incapacitated her refrigerating plant so as to delay her in Honolulu for a week and she had hardly left the Hawaiian metropolis when her ice-plant broke down again. When she arrived at Manila all of her meats and vegetables had been thrown overboard, and while she was scheduled to return to the United States via the *Suz* almost immediately, she was compelled to lie at Manila for repairs and the *Kilpatrick*, which was stationed at Manila as an emergency transport, was sent over that course in her stead.

JAPANESE CRUISERS VISIT AUSTRALIA.

The *Sydney Town and Country Journal* has some capital illustrations of the celebrations connected with the visit to Port Jackson at the beginning of last month of the three Japanese cruisers, *Itsukushima*, *Matsushima* and *Hashidate* under the command of Rear-Admiral Kamimura. It is of interest to note, says the *Journal*, that all three ships have had their baptism of fire, having been engaged in the war with China. They became prominent as great fighters. The *Matsushima* was engaged as flagship at the battle of Yalu, and the *Itsukushima* was also in that battle. The former lost about 40 men from a shell from the Chinese warship *Ting Yuen*, while a lot more sensation was provided throughout the fight. An outbreak of fire occurred on board, and one of the guns had to be thrown into the sea. The marines, however, fought the fire, and prevented it reaching the magazines; thus saving the ship and all hands from certain destruction. The *Itsukushima* was hit by three shells, receiving a lot of damage. The *Hashidate* was afterwards made flagship for Admiral Ito, but this vessel escaped without injury.

The *Itsukushima* and *Matsushima* were built at La Seyne, in France, and the *Hashidate* in Japan, the three vessels being launched between 1889 and 1891. They are second-class cruisers, each having a displacement of 4,300 tons, and the following measurements:—Length, 295ft; breadth, 50ft; and draught, 21ft 2in. Their engines are equal to 5,100 horse-power, and the armament equipment of each vessel comprises one 12-in gun, eleven 12-centimetre quick-firers, six 12-pounder quick-firers, six Hotchkiss machine guns, and four torpedo-tubes. A complete wireless telegraphy equipment is provided on each vessel.

A grand review of troops was held at Centennial Park, Sydney, in honour of the visit of the squadron.

L'Echo de Chine says that the sub-prefects of Shanghai and Nau Wei and Commander Long, who had united to operate against the *Boxer* brigands, have had no success in their operations. Fighting between the two factions who have been raiding the peaceful inhabitants is still going on, with considerable loss on both sides, and many of the inhabitants are shifting into Shanghai for protection.

A Peking despatch states that, owing to the desire of Governor P'an Hsiao-su, of Chinese Turkestan, to obtain a loan of two million taels for the reorganisation of the territorial army of that province, the Waiwupu has obtained a loan for that amount from the Russo-Chinese Bank, "without interest." The "consideration" being that whenever the Chinese authorities of Turkestan desire to open mines or cultivate new tracts of country now lying fallow in that province, only Russians should be engaged and no others to assist and teach the Chinese.

A HONGKONG BOY'S PLIGHT.

The following is taken from the Manila *Cablenews* of the 25th ult.

The soldiers of the 9th Artillery stationed at Pasay brought a lad of fourteen years of age into the office of the Executive Secretary yesterday to have a guardian appointed for him. The boy's name is Samuel Rees. His parents are both dead and he has inherited from them considerable property in the vicinity of Pasay. The father of the boy, who was a Chinaman, died some time ago and the mother an English woman, passed away within the last few days. The parents were married in San Francisco where they accumulated a small fortune and later came to Hongkong. According to the story told by the soldiers and the boy, while the family was living in Hongkong an English sailor by the name of James Price Reese became stranded and appealed to the Hans family for help. Reese was given work and has lived with the family for several years, coming with them to Manila.

Since the death of the mother, the soldiers about Pasay have heard Reese say that he was going to get the boy out of the way and get the property himself. The boy says, too, that he has been beaten and otherwise maltreated by Reese since his mother's death. It was that fact that led the soldiers to bring the boy to the authorities to have some steps taken by them in the matter.

The boy is of unusual intelligence for one of his class. He speaks English almost perfectly and told Secretary Ferguson that Reese had mistreated him while his mother was sick, but that he had not said anything about it as he did not wish to endanger his mother's life by giving her extra worry.

He said that all of his mother's papers were in a safe at home and that he carried the key of the safe in his pocket. When asked if his mother had made a will he said that she had not expected to die when she first took sick and that she had told him she would get well and go to a lawyer and make out a will.

Secretary Ferguson called in Commissioner Smith to advise in the matter and it was decided that application should be made in the court of first instance for the appointment of a guardian for the boy. Colonel Scott, who was present, agreed to take the boy pending the action of the court and give him employment about constabulary headquarters. The soldiers were of the opinion that it would not be safe for the lad to go back to Pasay with Reese and the boy himself expressed fear of going back.

A note was sent to Judge Sweeney of the court of first instance setting forth the facts in the case and asking him to appoint a guardian for the boy. The court has taken the case under consideration and will doubtless appoint a guardian to-day.

HONGKONG.

The number of plague cases in the Colony from the 1st January to noon on Saturday is 1,332. "Dumped" bodies continue to be found, two such being included in Saturday's returns.

The following returns of the average amount of banknotes in circulation and of specie in reserve in Hongkong during June are certified by the managers of the respective banks:—

Banks.	Average	Specie	in	Amount.	Reserve.
Chartered Bank of India, Australia and China	3,580,661	1,800,000			
Hongkong and Shanghai Banking Corporation	10,658,52	7,000,000			
National Bank of China, Limited	449,43	150,000			
Total.	\$14,688,635	\$8,950,000			

Independence Day was celebrated by the American community in the Colony with all the accustomed manifestations of rejoicing associated with the Fourth. Consul-General Bragg was at home at the U.S. Consulate in Ice House Street from 11 till 1 o'clock and most of the American firms dispensed hospitality throughout the day. The warships and some merchantmen in the Harbour flew bunting. At noon a salute was fired. In the evening there were music and illuminations at Kowloon Hotel (Mr. J. W. Osborne) and Bay View Hotel (Mr. M. Collins).

Many of the trees that ornament the principal roads of the Colony are being removed to make way for the new tramways.

Police-Inspector Langley has succeeded Police-Inspector Williamson at Tsimshatsui. The latter has gone to Aberdeen.

The s.s. *Zafiro* arrived in the Harbour on the 7th instant, towing the old Spanish warship *Velasco* which was recently raised from Manila Bay. Manila was left on Friday evening last, and, in ordinary circumstances, the *Zafiro* would have reached here on Sunday about 6 p.m., but she was of course considerably delayed by her tow. The *Velasco* was cast off at Stonecutter's, where she now lies. She is very much damaged and, has been purchased by Mr. A. B. Moulder of Beaconsfield Arc de.

Mr. J. M. Beck, superintendent here of the Eastern Extension and Great Northern Telegraph Companies, announces that commencing on Wednesday, 15th inst., the rate per word charged on telegrams to Europe (except Russia and the Caucasus) will be reduced from 7 francs to 5½ francs; and the currency rate, which is subject to revision, will be reduced from \$3.35 to \$2.65. Taken together with the reduction of 15 cents made on the 1st inst. this makes a total reduction in this month of 85 cents.

There seems to be a great probability that the steamer *Pembroke*, lately wrecked on the Saddle near Shanghai, will shortly be brought to Hongkong for repairs. Messrs. Gilmour & Co., Lloyd's agents, have for some days past been in telegraphic communication with the underwriters in London, with the result that they have instructed Mr. Newman Mumford to proceed immediately to Shanghai to arrange for such temporary repairs to be done as will enable the vessel to proceed to Hongkong.

At a meeting of Justices held at the Magistracy on Friday afternoon to consider an application from Hans Peter Jertrum for the transfer of his Publican's Licence to sell and retail intoxicating liquors on the premises situated at Nos. 266 to 268 Queen's Road Central, under the sign of the "German Tavern" to one Paul Wissing, it was unanimously decided to grant the application. Mr. J. H. Kemp, acting police magistrate, presided, and others present were Capt. F. Lyons, Acting C. S. P., Messrs. C. D. Melbourne, and R. H. Craig, J.P.s. Mr. E. J. Grist (of Messrs. Wilkinson and Grist) appeared for the applicant.

H. M. torpedo-boat destroyers *Virago* and *Sparrowhawk* arrived in Hongkong Harbour on the 1st inst. These two warships, which are an important addition to the British naval strength in Chinese waters, were launched at Birkenhead in 1893. They are twin-screw and have a length of 210.6 feet, and their beam is 21.7 feet. The draught of each vessel is the exceedingly low one of 5.3 feet. Their displacement is 300 tons and, with an indicated horse power of 6,000, their mean speed is 30.13 knots. Their armament consists of 112-pr. and 56 prs., and they are fitted with two torpedo-tubes. Each ship has a complement of 53 men. They were up two or three months ago on the North American station, at Esquimalt, from which place they were towed to Honolulu by H.M.S. *Amphion*, and from there to Japan by H.M.S. *Amphitrite*.

The following is from the July issue of S. John's Cathedral Church Notes:—The Colonial Church Council held its first session in S. Paul's College on Monday, 22nd June, when twenty-two members were present under the presidency of the Bishop of Victoria. The greater part of the session was taken up with the framing of a constitution, and finally the regulations, which had been previously circulated amongst the members of the Council, were approved of after they had been considerably amended and added to. The Council afterwards listened with interest to a brief description given by the Rev. W. J. Southam of the proposal to establish an European Young Men's Christian Association in the Colony and a vote of sympathy with the proposal was passed unanimously. It has been decided that the Council shall be elected for a period of two years and meetings of the Council shall be held at least twice a year, once in the week preceding Holy Week, and once in September of each year.

A notification appears in the *Gazette* that Belilos Reformatory is henceforth to be used as a prison.

A much-needed improvement is being made at the Post Office, namely, the introduction of a counter for the sale of stamps in place of the old pigeon-holed windows which formerly served for this purpose. Two doors are being knocked into the wall, one on each side of the letter-box. The counter will have wire netting in front, with pigeon-holes in the approved P.O. fashion; one end will be for the use of Chinese and the other for the use of non-Chinese.

Mr. T. Fercombe Smith, Police Magistrate, arrived on the 7th inst. by the *Empress of Japan* after leave in England, and resumed his duties at the Magistracy. The arrival of Mr. Fercombe Smith is not, however, too soon. Mr. J. H. Kemp, the Junior Magistrate, has had his hands full since the departure of Mr. F. A. Hazelton, and the cosmopolitan crowd outside the Court grew in dimensions as the list of cases lengthened out.

A Chinaman named Chan Wui was killed in a matshed at Shek Shan, Hung Hom district, on the 8th inst. afternoon, through being struck on the head by a large piece of flint which was projected through the side of the matshed during blasting operations. He and three others had been warned previously to leave the place on account of the danger from blasting; the deceased elected to remain, but his companions left, and are doubtless now glad that they did so.

On the 2nd inst. an European was found lying in an unconscious state in Wing Lok Street, near the Harbour Office, by an Indian constable, who summoned an ambulance and had him removed to the Central Police Station and thence to the Government Civil Hospital. Soon after being admitted he died. From papers found on the person of the deceased it has been ascertained that his name was J. R. Kidd, and that he was a ship's second mate out of employment.

The British four-masted steamer *Knight Errant* (Captain Kendall), which arrived here on the 6th inst., completed the entire passage from Barry, Bristol Channel, to this port without a single stop; she travelled via the Cape of Good Hope and Sunda Straits, the distance being 13,089 miles and the time taken 57 days 10 hours 3 minutes. After bunkering, the *Knight Errant*, which has a tonnage of 4,779 tons (net register), will proceed to Port Arthur to discharge her cargo of coal.

A Chinese workman at the power house of the Peak Tramways met with a serious accident on the 7th inst. At the moment it happened he was engaged upon the machinery, which was motionless. Suddenly it was started to drag a car up the line, and the man was knocked against the flywheel. This he caught to save himself, with the result that he was whirled round twice ere the accident was noticed and the machinery stopped. He was picked up in an unconscious condition and sent to Hospital.

An interesting innovation was witnessed on the Cricket Ground on the 6th inst., when a game of lawn bowls was played by four members of the H.K.C.C. It is hoped that the idea will be taken up in the summer months when the ground is not devoted to any other sporting purpose. The turf was rather lumpy on the 6th inst., but a little rolling after rain would improve it a lot. There is no reason why the game should not become popular; the Kowloon Bowling Club is a distinct success and has a competition now running.

On making enquiries at the Public Works Department on 3rd inst. a representative of the *Daily Press* was informed by Mr. A. H. Hollingsworth, executive engineer, that the Colony's reservoirs—Tytam, Pokfokam and Wein-iccheong are all full to overflowing. At this time last year the amount of water in store was just about equal to the quantity now in the reservoirs. The present repletion cannot however be counted upon as a condition to ensure a plentiful supply until the next rainy season for unless we have a fair average rainfall during the intervening months there will be at the end of the dry season little left of the superabundance of to-day.

MISCELLANEOUS.

Tak Sow, late Acting Viceroy at Canton, arrived in Shanghai on the 4th inst.

A French paper, *Le Courier de Tientsin*, has appeared at that port.

It is stated that the Straits Government will discontinue the Penang tramways at the end of the current year.

The *Jih Jih* hears that Kang Yü-wei and his daughter have gone to America. Kang Yü-wei continues as mysteriously ubiquitous as ever.

We regret to have to record the death at his residence in London, on the 3rd inst., of Mr. Jacob Arnhold, founder and senior partner of the firm of Messrs. Arnhold, Karberg & Co., from pneumonia, in his 68th year.

A recent despatch from Tientsin says that Russia has engaged some three thousand coolies to be sent to Tientsin. Russia has secured the services of no fewer than 250,000 Chinese of all classes and description in Manchuria.

The P. & O. s.s. *Palawan* took to Singapore the new Principal Civil Medical Officer of the Straits Settlements, Dr. Donald Keith McDowell, C.M.G., in succession to Dr. Kerr. Dr. McDowell has seen considerable service in West Africa, where he was up to recently Principal Medical Officer in Northern Nigeria.

Mr. Consul H. F. Brady arrived at Foochow from Shanghai on the 24th ult. by the s.s. *Haeskin*, after a very rough passage, and assumed charge of H.B.M.'s Consulate the same day. Mr. M. Hughes, who has been H.B.M.'s Acting Consul at Foochow since the departure of Mr. Playfair, returns to the Vice-Consulate at Pagoda.

A Shanghai native paper is informed by its Szechuen correspondent that the aborigines in Tsantai have emerged from their retreats and are murdering and plundering the people in that region. The Szechuen provincial authorities have despatched two battalions of troops to have them punished and to prevent them from escaping to other places.

According to the latest information from reliable sources in Mukden, says the *N.C. Daily News*, the Russian troops garrisoning Fêngtien and Kirin provinces number nearly 58,000 men of all arms, and these with 25,000 so-called "railway guards" total nearly 89,000 Russians ready to take the field the moment hostilities are declared.

The following appointments have been made at the Admiralty:—Sub-Lieutenants.—K. N. Humphreys, to the *Bramble*, and W. E. Cornabé, to the *Britomart*, to date June 16; and on recommissioning (N), undated. Surgeons.—R. W. B. Hall, to the *Bramble*, to date June 5, and on recommissioning, undated; and W. W. Keir, to the *Britomart*, undated.

Prince Henri d'Orleans, who had taken to exploring, died at Saigon last year of liver complaint. Steps were then taken to raise an obelisk there to his memory by subscription, but the funds, collected from colonials, relations, and geographers, fell short of expectations. The Funds Committee now make an appeal to the public for more money. The *Saigon Opinion* ridicules the idea of calling for public aid in putting up a lofty monument to a "globe-trotter."

Captain C. Hinrichsen of the German s.s. *Ellen Rickmers*, which has arrived in Hongkong after a voyage to the North, reports that on 5th June, when a signal was made at Castro's Bay for a pilot to Nicolaievsk, there were hoisted on the signal-station there in answer to the steamer's signal three flags belonging to the old signal-book. On seeing this the master went ashore to make enquiries and was then informed that the signal-station was not yet in possession of the new signal-book and flags and that the buoys on the Amur River would be laid on the 1st of June (Russian calendar). Nicolaievsk is situated on the Amur about 23 miles from its mouth and is visited each year by some 20 vessels importing groceries, spirits, and manufactured goods.

The *Sin Wan Pao* states that the Linog Kwang Viceroy recently wired to the Peking Government stating that owing to wide-spread disorder in Kwangsi and the distressing condition of the people, due partly to famine, he has transferred Tls. 300,000 from the Szechuen and Tls. 350,000 from the Kwangtung Treasury to the military fund of the province, where he would make his temporary headquarters to direct personally all movements of the Imperial troops and the administration of the people.

The *Bangkok Times* of the 2nd June says:—A telegram from Bangkok to Paris about the settlement in Kelantan has caused the usual pothole. A Singapore paper makes the ingenious suggestion that it was sent by an ill-informed correspondent with French political objects to serve, who has been made the instrument of Siamese diplomacy. We like that immensely; the outside world has a high appreciation of the possibilities of intrigue here. Perhaps, however, it is really of more importance to note that the Duff Mining Company is going energetically to work in Kelantan, and that its prospects of success continue to be excellent. Mr. R. W. Duff, who is just out from home left Singapore for Kelantan last week and from an article in the *Singapore Free Press* we gather that he is very well satisfied with the present position of affairs. In three or four weeks there will be about thirty Europeans in the employment of the company; the dredger is producing results much beyond expectation; and a start has been made at mining, three reefs having been discovered, two gold-bearing and one of galena. Siam's experience in gold-mining ventures has been so unfortunate that it will be a satisfaction to find the Kelantan enterprise prove a success.

General Creagh had a remarkably hearty send-off at the railway station at Tientsin on the 25th ult. General Rohrscheidt sent his band to serenade General and Lady Creagh and Captain St. John, A.D.C., at their breakfast, and he himself and a large number of German officers went to the station; there was no German guard of honour at the station, as the German army only honours royalty in this way. But there were British, French, Italians, Japanese, and Chinese guards of honour and bands, and numberless commanding and other officers of all nationalities, and civilians of all kinds. Haikwan Taotai Taug was there, a contingent of Chinese police under Mr. Ross, and the Viceroy's band under Major Wang, while the Viceroy's naval attaché Commander Liu went with the party, under the Viceroy's orders, as far as Chiuwangtuo. Notwithstanding the rain, a large number of ladies were at the station to say good-bye to Lady Creagh and lead her with bouquets, and Sir O'Moore and Lady Creagh had to shake hands with some two hundred people before they steamed away amid vociferous cheering. General Creagh is to be succeeded in the North China command by Brigadier-General Francis Ventré, commanding the Poona District in India. Lieut.-Col. Bower is temporarily in command of the troops.

COMMERCIAL.

CAMPHOR.

HONGKONG, 10th July.—No arrivals.

SUGAR.

HONGKONG 10th July.—The prices are further advancing, market being brisk.

Shekloong, No. 1, White.....\$8.45 to \$8.50 per lb.
Do. " 2, White.....7.75 to 7.80 "
Shekloong, No. 1, Brown.....6.15 to 6.20 "
Do. " 2, Brown.....6.00 to 6.05 "
Swatow, No. 1, White.....5.30 to 5.35 "
Do. " 1, White.....7.60 to 7.65 "
Do. " 1, Brown.....5.90 to 5.95 "
Do. " 2, Brown.....5.80 to 5.85 "
Foochow Sugar Candy.....12.35 to 12.40 "
Shekloong.....10.60 to 10.65 "

RICE.

HONGKONG, 10th July.—Very few arrivals having been reported, the prices are going upward.

Saigon, Ordinary.....\$3.75 to 3.80
" Round, Good quality.....5.10 to 5.15
" Long.....5.20 to 5.25
Siam, Field mill cleaned, No. 2.....3.95 to 4.00
" Garden, " No. 1.....4.25 to 4.30
" White, ".....5.80 to 5.85
" Fine Cargo.....5.45 to 5.50

MISCELLANEOUS EXPORTS.

Per P. & O. steamer *Massilia* sailed on the 4th July. For London:—155 bales raw silk, 10 cases silks, 6 cases hair, 3 cases cigars, 12 packages iron nuts, 13 packages tea, 4 packages sundries. For London and/or Manchester:—25 bales waste silk. For Manchester:—150 bales waste silk. For Milan:—25 bales raw silk. For Marseilles:—126 bales raw silk, 15 bales cocoons, 5 cases hair, 50 bales waste silk, 8 cases curios, 4 cases birds' feathers. For Lyons:—421 bales raw silk, 110 bales cocoons. For Genoa:—150 bales waste silk. For St. Chamond:—10 bales raw silk. For Gibraltar:—1 case silks.

MISCELLANEOUS IMPORTS.

HONGKONG, 2nd July.—Amongst the sales reported during the week are the following:—

	per bale
Bombay—Nos. 10 to 20, ...	\$ 90.00 to \$128.00
English—Nos. 16 to 24, ...	114.00 to 120.00
" 22 to 24, ...	120.00 to 128.00
" 28 to 32, ...	136.00 to 142.00
" 38 to 42, ...	55.00 to 170.00

COTTON PIECE GOODS.

	per piece
Grey Shirtings—6 lbs.	2.30 to 2.40
7 lbs.	2.50 to 2.80
8.4 lbs.	3.50 to 4.25
9 to 10 lbs.	4.30 to 5.50
White Shirtings—54 to 56 rd.	2.90 to 3.25
58 to 60 "	3.50 to 4.00
64 to 66 "	4.25 to 5.75
Fine.....	6.00 to 8.50
Book-folds.....	5.00 to 8.00
Victoria Lawns—12 yards ...	0.85 to 1.75
T-Cloths—6 lbs. (32 in.), Ord'y	2.30 to 2.80
7 lbs. (32 ")	2.50 to 3.00
6 lbs. (32 ") Mexs.	2.50 to 3.00
7 lbs. (32 ")	3.10 to 3.80
8 to 8.4 oz. (36 in.)	3.30 to 4.05
Drills, English—40 yds., 13	4.75 to 7.30
to 14 lbs.)	

FANCY COTTONS.

	per piece
Turkey Red Shirtings—14 to 16 lbs.	1.50 to 5.50

Brocades—Dyed — to —

DAMASKS.

	per yard
Chintzes—Assorted	— to —
Velvets—Black, 22 in	0.29 to 0.60
Velveteens—18 in	0.26 to 0.29

	per dozen
Handkerchiefs—Imitation Silk	0.30 to 5.00

WOLLENS.

	per yard
Spanish Stripes—Sundry shps.	0.75 to 2.25
Habit, Med., and Broad Cloths	1.25 to 3.00

	per piece
Long Ells—Scarlet, 7-10 lbs.	7.45 to 9.50
Assorted	7.60 to 9.65

	per piece
Camlets—Assorted	13.50 to 38.00

	per piece
Lastings—30 yds., 31 inches	14.00 to 21.00
Assorted	—

	per pair
Orleans—Plain	10.00 to —

	per pair
Blankets—8 to 12 lbs.	0.65 to 0.90
Fine quality	1.60 to 2.50

METALS.

	per picul
Iron—Nail Rod	4.70 to —
Square, Flat Round Bar (Eng.)	4.70 to —
Swedish Bar	4.70 to —
Small Round Rod	5.10 to —
Hoop 1/2 to 1 1/2 in.	6.40 to —
Wire, 16/25	9.50 to —
Wire Rope, Old	3.30 to —
Lead, L.B. & Co. and Hole Chop	8.60 to —
Australian	8.60 to —

	per picul
Yellow M'tal—Muntz 14/20 oz.	42.50 to —
Vivian's 14/20 oz.	42.50 to —
Elliot's 14/20 oz.	42.50 to —

	per picul
Composition Nails	61.00 to —

	per picul
Japan Copper, Slabs	89.00 to —

	per picul
Tin.....	83.00 to —

	box. per
Tin-Plates	7.70 to —

	per cwt. cas
Steel 1/2 to 1	0.60 to —

SUNDRIES.

	per picul
Quicksilver	178.00 to —

	per box
Window Glass	5.00 to —

VESSELS ON THE BERTH.

For ANTWERP.—*Peleus*, *Nestor*, *Stentor*, *Dardanus*, *Moyune*, *Tamba Maru*.
 For LONDON.—*Balaclava*, *Glengarry*, *Peleus*, *Nestor*, *Stentor*, *Dardanus*, *Moyune*, *Tamba Maru*.
 For LIVERPOOL.—*Prometheus*, *Diomed*.
 For MAESAILLES.—*Peleus*, *Nestor*, *Ernest Simons*, *Prins Valdemar*, *Stentor*, *Dardanus*, *Moyune*, *Tamba Maru*.
 For BREMEN.—*Hannover*, *Wurzburg*.
 For HAVRE AND HAMBURG.—*Sithonia*, *Wurzburg*, *Nurnberg*, *Baden*, *Königsberg*, *Andalusia*.
 For ODESSA.—*H. Lerche*.
 For TRIESTE.—*Trieste*.
 For NEW YORK.—*Arabia*, *Macduff*, *Verona*, *Kennebec*.
 For VICTORIA, B.C.—*Victoria*, *Riojuna Maru*, *Kaga Maru*.
 For VANCOUVER.—*Empress of Japan*, *Tartar*.
 For PORTLAND (Or.)—*Indravelli*.
 For AUSTRALIAN PORTS.—*Australian*, *Taiyuan*, *Yawata Maru*.
 For SINGAPORE, PENANG AND CALCUTTA.—*Lightning*.
 For BOMBAY, VIA SINGAPORE AND COLOMBO.—*Hiroshima Maru*, *Kinsoku Maru*.
 For BOMBAY, VIA SINGAPORE AND PENANG.—*Ischia*.

SHIPPING REPORTS.

HONGKONG, 10th July, 1903.—Our market has continued dull and depressed throughout the past week and only a small volume of business has been transacted.

BANKS.—Hongkong and Shanghais have receded to \$680 at which rate there are probable sellers. London has advanced to £63. 10s. Nationals are unchanged with buyers at \$28.

MARINE INSURANCE.—Unions can still be obtained at \$500. China Traders have been booked at \$62 and are still enquired for. Yangtzees have sold at \$135. Cautions are easier with sales at \$180. North Chinas are quoted at Tls. 230.

FIRE INSURANCES.—Hongkongs are quiet at \$330. Chinas have been booked at \$85 and are in further request.

SHIPPING.—Hongkong, Canton and Macaos have been taken off the market at \$3 $\frac{1}{4}$ and \$38 $\frac{1}{2}$. Indo-Chinas are wanted at \$97 ex the dividend of 10s. per share at Ex. 1/8 $\frac{1}{2}$ = \$5.926 for 1902 paid locally on the 7th instant. China and Manilas continue on offer at \$25 (old) and \$20 (new). Douglasses have been disposed of at \$4, and \$40 $\frac{1}{2}$, and are in further request at the former rate. Star Ferries have advanced to \$27 (old) and \$17 (new). Shell Tugs sports sold at £1. 2s. 6d. and can still be obtained at that figure.

REFINERIES.—China Sugars have dropped to \$100 with sales and further sellers. Luzons are unchanged with small buyers at \$10.

MINING.—Punjoms have declined to \$2 $\frac{1}{2}$ after sales at \$2.80 and \$2.25. Jelebus continue on offer at \$1 $\frac{1}{2}$. Raubs sold at \$8 $\frac{1}{2}$ and are in further request at \$8 $\frac{1}{2}$.

DOCKS, WHARVES, AND GODOWNS.—Hongkong and Whampoa Docks have been booked at \$216, \$1.5 $\frac{1}{2}$, and \$215. Hongkong and Kowloon Wharves sold at \$88 at which more shares can be placed. New Amoy Docks continue neglected at \$4 $\frac{1}{2}$. Farnhams after dropping to Tls. 170 are in some request at Tls. 17 $\frac{1}{2}$.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands have declined to \$160, at which there are small buyers. Kowloon Lands can be procured at \$37 $\frac{1}{2}$ and West Points at \$52. Humphreys Estates are wanted at \$12. Hongkong Hotels have sold at \$1.68 and \$1.52, and more shares can be obtained at the latter rate. Orientes are unchanged with buyers at \$40.

COTTON MILLS.—Hongkong Cottons are slightly firmer with buyers at \$14 $\frac{1}{2}$. Quotations for the northern stocks are unchanged.

MISCELLANEOUS.—Green Island Cements sold and have further sellers at \$24 $\frac{1}{2}$. Electrics (old) have been booked at \$1.5 $\frac{1}{2}$ and (new) at \$7 $\frac{1}{2}$. Ices can be placed at the improved rate of \$24 $\frac{1}{2}$. Steam Water Boats are wanted at \$14.10, and Bell's Asbestos at \$6. China Providents sold at \$9.80 and \$9.75 and more shares are obtainable at the latter rate.

MEMOS.—Hongkong Electric Co., Ltd., ordinary yearly meeting tomorrow the 11th instant. China Light and Power Co., Ltd., extraordinary general meeting on the 13th instant. Tebrau Planting Co., Ltd., ordinary yearly meeting on the 14th instant. Canton Land Co., Ltd., ordinary yearly meeting on the 18th instant.

Closing quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Banks—		
Hongkong & S'hai ..	\$125	\$680 £1'don, £63. 10s.
Nat'l. Bank of China ..		
A. Shares ..	\$28	\$28, buyers
B. Shares ..	\$28	\$28, buyers
Foun. Shares ..	\$1	\$10, sellers
Bell's Asbestos E. A. ..	\$1	\$5 $\frac{1}{2}$, buyers
Campbell, Moore & Co. ..	\$10	\$40, sellers
China-Borneo Co., Ltd. ..	\$12	\$10 $\frac{1}{2}$, sellers
China Light & Power Co., Ltd. ..	\$20	\$6 $\frac{1}{2}$ *
China Prov. L. & M. ..	\$10	\$9.75, sellers
China Sugar ..	\$100	\$100, sellers
Cigar Companies—		
Alhambra Limited ..	\$500	\$250, sellers
Philippine Tobacco Trust Co., Ltd. ..	\$50	\$18
Cotton Mills—		
Ewo ..	Tls. 100	Tls. 35.
International ..	Tls. 75	Tls. 40.
Laou Kung Mow ..	Tls. 100	Tls. 45.
Soychee ..	Tls. 500	Tls. 160.
Hongkong ..	\$100	\$14, buyers
Dairy Farm ..	\$8	\$12
Fenwick & Co., Geo. ..	\$25	\$47, buyers
Green Island Cement ..	\$10	\$24 $\frac{1}{2}$, sellers
H. & C. Bakery ..	\$50	\$40, sellers
Hongkong & C. Gas ..	\$10	\$140, buyers
Hongkong Electric ..	\$5	\$134, sales
H. H. L. Tramways ..	\$100	\$320
Hk. Steam Water boat Co., Ltd. ..	\$10	\$14.10 buyers
Hongkong Hotel ..	\$50	\$152, buyers
Hongkong Ice ..	\$25	\$242 $\frac{1}{2}$ buyers
H. & K. Wharf & G. ..	\$50	\$88
Hongkong Rope ..	\$50	\$145
H. & W. Dock ..	\$50	\$215
Insurance—		
Canton ..	\$50	\$180
China Fire ..	\$20	\$85 buyers
China Traders ..	\$25	\$82, sales & buyers
Hongkong Fire ..	\$50	\$330, sellers
North China ..	\$25	Tls. 230
Straits ..	\$20	\$1, nominal
Union ..	\$100	\$500, sellers
Yangtze ..	\$60	\$135, sales
Land and Building—		
Hongkong Land Inv. ..	\$100	\$160, buyers
Humphreys Estate ..	\$10	\$12.15, sellers
Kowloon Land & B. ..	\$30	\$38, sellers
West Point Building ..	\$50	\$52
Luzon Sugar ..	\$100	\$10, buyers
Manila Invest. Co., Ltd. ..	\$50	\$15, buyers
Mining—		
Charbonnages ..	Frs. 250	\$600, sellers
Jelebu ..	\$5	\$1 $\frac{1}{2}$, sellers
Punjom ..	\$11	\$2 $\frac{1}{2}$, sellers
Do. Preference ..	\$1	30 cents.
Raubs ..	18/10	\$81, buyers
New Amoy Dock ..	\$63	\$40
Oriente Hotel, Manila ..	\$50	\$40, buyers
Powell, Ltd. ..	\$10	\$9 $\frac{1}{2}$, buyers
Robinson Piano Co., Ltd. ..	\$50	\$50
Steamship Cos.—		
China and Manila ..		\$25, sellers
Douglas Steamship Co., Canton and M. ..	\$55	\$20, sellers
Indo-China S. N. ..	\$50	\$41, buyers
Shell Transport and Trading Co. ..	\$10	\$38, buyers
Star Ferry ..		\$95, ex div., buyers
Star Ferry ..	\$10	\$27, buyers
S. C. F. Boyd & Co., Ltd. ..	Tls. 100	Tls. 172 $\frac{1}{2}$ buyers
Tebrau Planting Co. ..	\$5	nominal
United Asbestos ..	\$4	\$94, buyers
Do. ..	\$10	\$155
Universal Trading Co., Ltd. ..	\$5	\$23, buyers
Watkins Ltd. ..	\$10	\$7, sellers
Watson & Co., A. S. ..	\$10	\$14 $\frac{1}{2}$, sellers

VERNON & SMYTH, Brokers.

EXCHANGE.

SATURDAY, 11th July.

ON LONDON.—

Telegraphic Transfer 1/8 $\frac{1}{2}$
 Bank Bills, on demand 1/8 $\frac{1}{2}$
 Bank Bills, at 30 days' sight 1/8 $\frac{1}{2}$
 Bank Bills, at 4 months' sight 1/8 $\frac{1}{2}$
 Credits, at 4 months' sight 1/8 $\frac{1}{2}$
 Documentary Bills, 4 months' sight 1/8 $\frac{1}{2}$

ON PARIS.—

Bank Bills, on demand 212 $\frac{1}{2}$
 Credits, 4 months' sight 216

ON GERMANY.—	
On demand	172 $\frac{1}{2}$
ON NEW YORK.—	
Bank Bills, on demand	41 $\frac{1}{2}$
Credits, 60 days' sight	42
ON BOMBAY.—Telegraphic Transfer	64
Bank, on demand	126 $\frac{1}{2}$
ON CALCUTTA.—Telegraphic Transfer	126 $\frac{1}{2}$
Bank, on demand	126 $\frac{1}{2}$
ON SHANGHAI.—Bank, at sight	71 $\frac{1}{2}$
Private, 30 days' sight	72 $\frac{1}{2}$
ON YOKOHAMA.—	
On demand	82 $\frac{1}{2}$
ON MANILA.—	
On demand	nominal
ON SINGAPORE.—	
On demand	nominal
ON BATAVIA.—On demand	101 $\frac{1}{2}$
ON HAIPHONG.—On demand	1 p. c. pix.
ON SAIGON.—On demand	1 p. c. pm.
ON BANGKOK.—On demand	62 $\frac{1}{2}$
SOVEREIGNS, Bank's Buying Rate	\$11.95
GOLD LEAF, 100 fine, per tael ..	62.50
BAR SILVER, per oz.	24 $\frac{1}{2}$

SHANGHAI, 3rd July, 1903.—Messrs. J. P. Bisset & Co. in their report for this date state:—The Bank holidays on the 1st and 2nd inst. brought business to a standstill. From the 26th to the 30th ult. a good business was done, particularly in Indo-Chinas. Langkats have firmed up and at close business has been done at Tls. 810. The June Settlement went off very satisfactorily, and we heard of no recalcitrants. BANKS.—Hongkong and Shanghai Banks are quoted at \$680 in Hongkong and Nationals at Tls. 261/4. MARINE INSURANCE.—North Chinas have been placed locally at Tls. 230, and Yangtzees at \$130. There is no business reported in other stocks under this heading. FIRE INSURANCE.—No business reported. SHIPPING.—H. C. and M. Steam-boats are wanted at \$38. Indo-Chinas. A large business has been done in these at advancing rates to cover short sellers for the June Settlement. It was rumoured that 4,000 shares had been short sold, but be that as it may all deliveries have been made. The market opened on the 26th with sales at Tls. 77 $\frac{1}{2}$, 78 and 78 $\frac{1}{2}$ for delivery on the 29th June, and at 74 for August. On the 27th the market weakened to sales at 77, and a sale was reported at 74 $\frac{1}{2}$ for August. On the 29th cash shares were placed at 76 $\frac{1}{2}$ and again on the 30th at 76 $\frac{1}{2}$. The market is quiet with nothing doing, quotations nominal at 76 $\frac{1}{2}$. Douglasses buyers at \$41. Tug and Cargo Boat shares are wanted at quotations. Taku Tugs are quoted in the North sellers at Tls. 48. DOCKS AND WHARVES.—S. C. Farnham, Boyd & Co. A good business has been done in these shares, the market opening at 182 $\frac{1}{2}$ and 181 for June. On the 27th cash shares were again placed at this rate. On the 29th at 182, 181 and 180 and on the 30th at 180 cash, 185 July, 187 $\frac{1}{2}$ August, and 190 September. The news of the final dividend for the year being 8 per cent. is a disappointment to many holders, and caused a weakening in the market. The market closes to-day at Tls. 175 sellers. The final dividend with the interim already paid makes 15 per cent. for the year. Hongkong and Whampoa Docks have buyers at \$218. Shanghai and Hongkew Wharves. Sales of these have been effected at Tls. 282 $\frac{1}{2}$. This stock is worth the attention of investors. Hongkong and Kowloon Wharves.—No business reported. SUGAR CO.'S.—No business reported, quotations nominal. MINING.—C. E. and M. Co. Shares have been placed at Tls. 675. No business in other stocks under this heading. LANDS.—Shanghais have been placed at Tls. 108. INDUSTRIAL.—We have still to report no business in Cotton stocks. Gas shares have been placed at Tls. 112 $\frac{1}{2}$. Green Island Cements are offering at \$24 $\frac{1}{2}$. Maatschappij, etc., in Langkate. The market opened on the 26th with business done for the Sett. at Tls. 302 $\frac{1}{2}$, 305, 307 $\frac{1}{2}$ and 310; 305 July, 310 Sept. and 3-5 Oct. On the 27th Settlement Share were placed at Tls. 3/7/10, with sales at 312 $\frac{1}{2}$ July, 322 $\frac{1}{2}$ Sept., 325 Oct. On the 29th/30th shares fetched 307 $\frac{1}{2}$. The market closes steady at 310 buyers and sellers. Shanghai-Sumatras.—A transaction is reported in these at Tls. 50 cash. STORES & HOTELS.—No business reported. MISCELLANEOUS.—Telephones have been placed at Tls. 63/69. LOAN.—Land 6 per cent. Debentures have been placed at Tls. 101.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

July—
 ARRIVALS.
 2, Tientsin, British str., from Wuhu.
 3, Hailoong, British str., from Amoy.
 3, Kiukiang, British str., from Shanghai.
 3, Marita, French str., from Antwerp.
 3, Massilia, British str., from Shanghai.
 3, Mercedes, British str., from Weihaiwei.
 3, Shansi, British str., from Canton.
 3, Taksang, British str., from Canton.
 3, Tsurugisan Maru, Jap. str., from K'notzu.
 3, Tyr, Norwegian str., from Hongay.
 3, Waihara, British str., from Singapore.
 4, Apenrade, German str., from Hoihow.
 4, Ariake Maru, Japanese str., from Moji.
 4, Babelsberg, German str., from Samarang.
 4, Dott, Norwegian str., from Bangkok.
 4, Esang, British str., from Canton.
 4, Feiching, British str., from Canton.
 4, Ischia, Italian str., from Bombay.
 4, Karin, Swedish str., from Chefoo.
 4, Loksang, British str., from Canton.
 4, Mongkut, German str., from Bangkok.
 4, Nanchang, British str., from Canton.
 4, Petchaburi, German str., from Bangkok.
 5, Amara, British str., from Sourabaya.
 5, Da'gi Maru, Japanese str., from Amoy.
 5, Hoihao, French str., from Pakhoi.
 5, Hue, French str., from Haiphong.
 5, Lyeemoon, German str., from Canton.
 5, Marie Jebsen, Ger. str., from Samarang.
 5, Oceana, German str., from Caroline Islands.
 5, Perla, British str., from Moji.
 5, Phranang, German str., from Bangkok.
 5, Thales, British str., from Coast Ports.
 6, Alcinous, British str., from Shanghai.
 6, Cassius, German str., from Wuhu.
 6, Hikosan Maru, Jap. str., from K'notzu.
 6, Hongbee, British str., from Straits.
 6, Hongkong, French str., from Haiphong.
 6, Knight Errant, British str., from Barry.
 6, Lightning, British str., from Calcutta.
 6, Loongsang, British str., from Manila.
 6, Neil McLeod, British str., from Iloilo.
 6, Tartar, British str., from Vancouver.
 7, Choyang, British str., from Shanghai.
 7, Ellen Rickmers, British str., from Moji.
 7, Empress of Japan, Brit. str., from Vancouver.
 7, Hailoong, British str., from Swatow.
 7, Haitan, British str., from Coast Ports.
 7, Hupeh, British str., from Wuhu.
 7, Mausang, British str., from Borneo.
 7, Mogul, British str., from Liverpool.
 7, Palawan, British str., from London.
 7, Preussen, German str., from Shanghai.
 7, Prinz Heinrich, Ger. str., from Hamburg.
 7, Sisan, British str., from Saigon.
 7, Sultan V. Langkut, Dut. str., from Swatow.
 7, Ulabrand, Norwegian str., from Moji.
 7, Waishing, British str., from London.
 7, Wosang, British str., from Wuhu.
 7, Zafiro, British str., from Manila.
 8, Anping Maru, Jap. str., from Coast Ports.
 8, Arab, British str., from Moji.
 8, Dagmar, German str., from Swatow.
 8, Glengyle, British str., from London.
 8, Haimun, British str., from Tamsui.
 8, Hunan, British str., from Canton.
 8, Jester, British str., from New Zealand.
 8, Karin, Swedish str., from Canton.
 8, Luchs, German gunboat, from Canton.
 8, Machaon, British str., from Liverpool.
 8, Meefoo, Chinese str., from Shanghai.
 8, Rosetta Maru, Japanese str., from Manila.
 8, Whampoa, British str., from Shanghai.
 9, Australian, British str., from Australia.
 9, Faustag, British str., from Chefoo.
 9, Kaga Maru, Japanese str., from Kobe.
 9, Kasuga Maru, Jap. str., from Sydney.
 9, Ailsa Craig, British str., from K'notzu.
 9, Amigo, German str., from Haiphong.
 9, Australian, British str., from Sydney.
 9, Bingo Maru, Jap. str., from Yokohama.
 9, Elba, German str., from Samarang.
 9, Fausang, British str., from Chefoo.
 9, Indravelli, British str., from Portland.
 9, Kaga Maru, Japanese str., from Moji.
 9, Kasuga Maru, Japanese str., from Sydney.
 9, Kohsichang, German str., from Bangkok.
 9, Manila, British str., from Yokohama.
 9, Nanshan, British str., from Sourabaya.
 9, Pronto, Norwegian str., from Newchwang.
 10, Daijin Maru, Japanese str., from Tamsui.
 10, Haiching, British str., from Coast Ports.
 10, H. Lerche, Russian str., from Moji.

10, Kiukiang, British str., from Canton.
 10, Kowloon, German str., from Chinkiang.
 10, P. C. C. Kiao, German str., from Bangkok.
 10, Salive Rickmers, Brit. str., from S'pore.
 10, Shantung, German str., from Langkat.
 11, Chiyo Maru, Japanese str., from Canton.
 11, Hailan, French str., from Pakhoi.
 11, Lyeemoon, German str., from Canton.
 11, Pekin, British str., from Kobe.
 11, Sungkiang, British str., from Manila.
 11, Taicheong, German str., from Haiphong.
 11, Tientsin, British str., from Canton.
 July—
 DEPARTURES.
 3, Antonio McLeod, Amr. str., for Saigon.
 3, Ayr, Norwegian str., for Kutchinotzu.
 3, Benlomond, British str., for Kobsichang.
 3, Clara Jebsen, German str., for Haiphong.
 3, Coromandel, British str., for Shanghai.
 3, Glenfalloch, British str., for Amoy.
 3, Heilan, German str., for Pakhoi.
 3, Idzumi Maru, Japanese str., for Bombay.
 3, Kingsing, British str., for Shanghai.
 3, Michael Jebsen, German str., for Hoihow.
 3, Progress, German str., for Touron.
 3, Taicheong, German str., for Haiphong.
 3, Tydeus, British str., for Shanghai.
 3, Wuchang, British str., for Iloilo.
 3, Yuensang, British str., for Manila.
 4, Bangkok Maru, Japanese str., for Kobe.
 4, Chiugtu, British str., for Australia.
 4, Justin, American str., for Weihaiwei.
 4, Massilia, British str., for Europe.
 4, Mercedes, British str., for Wellington.
 4, Quarts, German str., for Chefoo.
 4, Kubi, British str., for Manila.
 4, Taksang, British str., for Ningpo.
 4, Wongkoi, German str., for Swatow.
 5, Ariake Maru, Jap. str., for Kutchinotzu.
 5, Borneo, German str., for Sandakao.
 5, Esang, British str., for Shanghai.
 5, Goliath, British battleship, for home.
 5, Hailoong, British str., for Swatow.
 5, Loksang, British str., for Foochow.
 5, Maidzura Maru, Jap. str., for Anping.
 5, Waihara, British str., for Amoy.
 6, Feiching, British str., for Shanghai.
 6, Hsiping, British str., for Shanghai.
 6, Lyeemoon, German str., for Canton.
 7, Arnold Luyken, German str., for Swatow.
 7, Carl Diederichsen, Ger. str., for Hoihow.
 7, Cassius, German str., for Canton.
 7, Hoihao, French str., for Hoihow.
 7, Hu, French str., for Haiphong.
 7, Kwangtah, Chinese str., for Canton.
 7, Kwongsang, British str., for Swatow.
 7, Laisang, British str., for Calcutta.
 7, Nanchang, British str., for Chefoo.
 7, Rajaburi, German str., for Bangkok.
 7, Robilla Maru, Japanese str., for Manila.
 7, Shansi, British str., for Chinkiang.
 7, Tacoma, American str., for Tacoma.
 7, Thales, British str., for Swatow.
 7, Tsurugisan Maru, Jap. str., for Moji.
 7, Wuhu, British str., for Shanghai.
 8, Alcinous, British str., for London.
 8, Apenrade, German str., for Pakhoi.
 8, Babelsberg, German str., for Amoy.
 8, Daigi Maru, Japanese str., for Swatow.
 8, Dott, Norwegian str., for Bangkok.
 8, Hikosan Maru, Jap. str., for Kutchinotzu.
 8, Hongbee, British str., for Amoy.
 8, Hongkong, French str., for Haiphong.
 8, Hue, French str., for Kwangchauwan.
 8, Knight Errant, British str., for P. Arthur.
 8, Prinz Heinrich, Ger. str., for Shanghai.
 8, Savoia, German str., for Kobe.
 8, Waishing, British str., for Yokohama.
 8, Banci, British str., for Yokohama.
 9, Dazmar, German str., for Chinkiang.
 9, Fausang, British str., for Canton.
 9, Hailoong, British str., for Swatow.
 9, Mogul, British str., for Shanghai.
 9, Petchaburi, German str., for Bangkok.
 9, Preussen, German str., for Europe.
 9, Taiyuan, British str., for Kobe.
 9, Whampoa, British str., for Canton.
 10, Atholl, British str., for San Francisco.
 10, Haitan, British str., for Coast Ports.
 10, Karin, Swedish str., for Chefoo.
 10, Kowloon, German str., for Canton.
 10, Loongsang, British str., for Manila.
 10, Manila, British str., for London.
 10, Meefoo, Chinese str., for Shanghai.
 10, Palawan, British str., for Yokohama.
 10, Perla, British str., for Iloilo.
 11, Bingo Maru, Japanese str., for London.
 11, Coptic, British str., for San Francisco.

11, Elba, German str., for Kobe.
 11, Glenesk, British str., for New York.
 11, Glengyle, British str., for Shanghai.
 11, Haimun, British str., for Tamsui.
 11, Hunan, British str., for Iloilo.
 11, Kasuga Maru, Jap. str., for Nagasaki.
 11, Kiukiang, British str., for Shanghai.
 11, Luchs, German gunboat, for Hoihow.
 11, Machaon, British str., for Nagasaki.
 11, M. Struve, German str., for Hongay.
 11, Mongkut, German str., for Bangkok.
 11, Neil Macleod, Amr. str., for Iloilo.
 11, Rosetta Maru, Japanese str., for Manila.
 11, Ulabrand, Norwegian str., for Moji.
 11, Zafiro, British str., for Manila.

PASSENGERS LIST.

ARRIVED.

Per Massilia, from Shanghai, for Hongkong.
 Mrs. G. Marley, Master Dixon, Messrs. Olivier, Gilbert and Bastien; for Singapore, Mr. and Mrs. Roberts, Dr. C. D. Curtis, Messrs. Head Jones, E. C. C. Wilton and Hsieh; for Calcutta, Mr. and Mrs. Ingles; for Bombay, Captain Kaye; for London, Mr. and Mrs. W. O. Lloyd, Messrs. L. S. Hudson, J. McDowell and C. E. K. Raymond; for Hongkong, Mr. A. L. Langley.

Per Empress of Japan, from Vancouver, Capt. and Mrs. Davies, Messrs. J. H. Scott, Trumper, S. N. M. Maider, G. K. Chetty, T. S. Smith, G. Dangerfield, Henderson, J. Gillier, T. M. Rixen, T. C. Harvey, A. Pareglis, D. Romano, Gilson Jones, J. P. Lewis, W. A. Hayward and Selvio Pavejo; from Yokohama, Mrs. Walters; from Kobe, Mr. and Mrs. H. N. Col., Miss Gladwyn, Dr. Y. Masao, Messrs. H. E. Guyer, C. Longest, G. H. Allen and R. T. Richardson; from Shanghai, Rev. Louis Byrd, Messrs. W. T. Sontham, von Mumm, von Ganssta, F. S. Brockman, C. S. Coy, Dollar and Marshall.

Per Preussen, from Yokohama, Mrs. McLean and Mrs. S. Green, Messrs. T. Chard, G. Wolff, L. Pickel, Z. Goldenberg and Walter.

Per Prinz Heinrich, from Bombay, &c., Mr. and Mrs. P. Fontana, Dr. R. P. Strong, Rev. John S. Macknight, Count Adrian von der Burch, Lieut. Rodriguez Kaffaele, Messrs. R. P. Strong, W. A. Thurnman, Nicol von Radovowski, F. Walther and family, P. M. Walker, M. N. Gobhai, F. A. v. Dyk v. d. Welds, C. Schultz, Herm Frese, F. Adams, W. G. Pypers, Th. M. Rohn, F. Arnold and W. Bornhorst.

DEPARTED.

Per Massilia, from Hongkong, for Singapore, Mrs. E. Elias, Mrs. Alcott, Messrs. Eugene Raddaty, Garch, Poole, Boud and Goldspink; for London, Messrs. Ivor S. Parley and J. Blake; from Sh'ng'hai, for Singapore, Mr. and Mrs. Roberts, Dr. C. W. Curtis, Messrs. G. Head Jones, E. C. C. Wilton and Hsieh; for Calcutta, Mr. and Mrs. Ingles; for Bombay, Capt. Kaye; for London, Mr. and Mrs. W. O. Lloyd, Lieut. E. L. Raymond, R.N.R., Messrs. L. S. Hudson and J. McDowell.

Per Preussen, from Hongkong, for Bremen, Mr. and Mrs. Archer and family, Mrs. McClean, Mr. and Mrs. Jackson, Mr. and Mrs. Nebel and family, Dr. and Mrs. J. C. Schoute, Mrs. N. Soesmann and Miss F. Soesmann, Dr. von der Heyde, Miss Edith Lunt, Messrs. W. P. Ampeuoff, J. Becket, E. J. Chard, Dinglefield, F. Gillis, Gillis, L. von Guaita, Goldenberg, Hardly, Henderson, T. J. Hovell, Percy Jackson, N. R. Jadhava, J. E. Johnston, C. Klimann, S. von Mumm, Justus J. Maurik, H. A. Nunnink, Pareglos, C. von Platen, A. Powel, Rixen, J. Shibuya, Romano, Abr. Salomon, Pater Santuillo, John Scott, R. Tielmont, Trumper, F. W. Undig, Van der Burg, Bischof Vo'nter, and Yubibaba.

Per Prinz Heinrich, from Hongkong, for Shanghai, Mrs. Chemel, Miss M. Rodewald, Messrs. H. Sebes, T. Aaron, F. Rebor, F. Bonnet, G. R. de Varhely, H. Richter, M. Rath, D. Henk and C. A. Van der Burch; for Nagasaki, Mr. F. Nakashima; for Yokohama, Mr. and Mrs. Campbell, Messrs. H. W. Andrews, T. H. Abdoola, W. H. Hebbey, F. Kohler, G. Ammon and L. Chator.